CITY OF BEDFORD

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2023

City of Bedford, Texas

City of Bedford, Texas

Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2023

Prepared By
City of Bedford Finance Department

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City of Bedford, Texas

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For the Year Ended September 30, 2023
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Introductory Section

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CITY of BEDFORD

2000 FOREST RIDGE DRIVE, BEDFORD, TEXAS 76021-1895

March 26, 2024

To the Honorable Mayor, Members of the City Council and Citizens of Bedford:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) for the City of Bedford, Texas (City), for the fiscal year ended September 30, 2023. This report was prepared through the cooperative effort of the Administrative Services Department and the City's independent auditor. The purpose of this report is to provide the City Council, staff, citizens, and other interested parties with detailed information reflecting the City's financial condition.

This report satisfies §103.001 of the Texas Local Government Code and §2.20 of the City Charter. The ACFR consists of management's representations concerning the finances of the City. Responsibility for both the accuracy of the data and completeness and fairness of the presentation rests with the City. We believe the data, as presented, is accurate in all material aspects. It is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and all disclosures necessary have been included to enable the reader to gain the maximum understanding of the City's financial affairs.

The ACFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, organizational chart and a list of principal officials. The financial section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements, required supplementary information, combining and individual fund statements and schedules. The statistical section includes a variety of financial and demographic information presented on a multiyear basis that is relevant to a financial statement reader. The financial section is prepared in accordance with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB).

Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

INDEPENDENT AUDIT

The City of Bedford's financial statements have been audited by Weaver and Tidwell L.L.P, a firm of licensed certified public accountants. The goal of an independent auditor is to provide reasonable assurance that the financial statements of the City of Bedford, for the fiscal year ended September 30, 2023, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Bedford's financial statements for the fiscal year ending September 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component in the financial section of this annual report.

CITY PROFILE

The City of Bedford is a predominately residential community located in Tarrant County, near several major transportation links between Dallas and Fort Worth. It is part of the “Metroplex” of North Central Texas, which includes the cities of Dallas and Fort Worth. The City of Bedford is bordered on the east and south by the City of Euless, on the west by the City of Hurst and on the north by the City of Colleyville. Bedford lies approximately five miles from the Dallas/Fort Worth International Airport, 12 miles from downtown Fort Worth and 20 miles from downtown Dallas There are three State Highways (183, 121, 157) and two Interstate Highways (35, 30) serving the City with the nearest Interstate located six miles away. The City was incorporated in 1953 under the general laws of the state of Texas and the voters approved the current charter in 1966. The City is a home rule city and operates under the Council/Manager form of government. The City Council is composed of a mayor and six council members elected at large every three years.

Services provided by the City under the general governmental functions include police and fire protection, emergency medical services, planning and zoning, code enforcement and inspections, street maintenance, parks, recreation, library and senior citizen services. Water and sewer services are provided under an enterprise fund concept, with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. Drainage maintenance services are also provided under the enterprise fund concept, implemented in 1991 in accordance with amendments to Title 13 of the Texas Local Government Code.

The water supply for the City of Bedford is provided by the Trinity River Authority (TRA), which provides treated water to Bedford, Euless, Colleyville, Grapevine and North Richland Hills pursuant to separate, but similar contracts dated January 21, 1972, and April 25, 1979. In October 1973 the Trinity River Authority (Central Regional Wastewater System) entered into a 50-year contract with numerous cities in the Metroplex, including the City of Bedford for construction of a wastewater treatment plant to service all contracting parties. The original 50-year duration of the contract is automatically extended through the latest maturity of any TRA outstanding debt issues.

The City of Bedford Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as a Special Revenue Fund as if it were part of the primary government because its sole purpose is to operate, maintain and finance the costs of the City’s street improvements using sales taxes collected under Section 4B of the Development Corporation Act of 1979.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The information presented in the financial statements should be considered from the broad perspective of the specific environment within which the City operates.

In recent years, the City of Bedford, located in the heart of the Dallas/Fort Worth Metropolitan area (DFW), has experienced moderate population growth. The North Central Texas Council of Governments estimates the City’s population for 2023 at 49,927, which is 2.5% increase over the 2014 population of 48,721.

Multiple light manufacturing firms are in Bedford, as well as a variety of commercial establishments, restaurants, health care facilities, retail stores, shops and food stores. Several of the retail shopping centers in the City are undergoing renovation and expansion. Undeveloped property accounts for approximately 2.0% of the total area in the City.

The City is not financially dependent upon any one industry, or type of industry. The City recognizes the value of commercial development to its economic base and continues to encourage commercial growth that will be beneficial to the community. During the course of the year, the economic base experienced a 3.79% growth in sales tax collections by $580,615.

As a policy, the City Council has set certain economic goals that are intended to attract high quality, visually appealing businesses, as well as revitalize and invest in areas that have seen some deterioration of economic activity. By emphasizing the need to be more business friendly, the goals of the City Council seek to provide general direction for future land use plans and decisions for the City.

Current longer range financial planning primarily revolves around several major water/sewer system infrastructure projects as well as significant improvements to our drainage system. In addition, as the City is approximately 98% built out, significant planning initiatives are being considered to provide for re-development of certain aging corridors within the City.

A few years ago, the City witnessed the widening of State Highway 183 (Airport Freeway), which runs eastbound/westbound through the center of town. During this period, Bedford officials were highly successful in retaining existing businesses while recruiting new ones to the newly expanded highway corridor. In addition, the City is working diligently with property owners to maximize development opportunities because of the expansion. This includes creating incentive agreements between the City and the business community that create jobs, enhance the tax base and secure revenue resources for the City.

To the extent that operations result in surplus funds, we will continue to fund various capital needs of a one-time nature from the surplus rather than issuing unnecessary debt.

ECONOMIC DEVELOPMENT

This past year, Bedford issued 76 new-business Certificates of Occupancy. Some of the new businesses include Popshelf, Bricks and Minifigs, Kerbow's Karats, Cowhide Outlet, Centerpoint Properties, Texas Collision Centers, Murphy USA, Firehouse Bar & Grill, Mighty Chick Sando, Anita's Mo: Mo, The Nutrition Co., and GG's Tortas & Tacos.

Additionally, Bedford's existing businesses continue to reinvest in the community, with McDonalds demolishing their existing building and reconstructing an entirely new building, Grubbs Nissan investing $3.5 million to remodel their facility, Wal-Mart currently undergoing a $1.2 million remodel, Texas Health Resources HEB Hospital making a $537,000 investment, HEB ISD dedicating $2 million to remodeling their Transition Center, Parc Placement Retirement Community undergoing a $410,000 remodel, Carter Blood Care adding a $400,000 clean room, and Starbucks investing approximately. $300,000 in a major remodel.

Catalytic Development Projects

In December 2021, the City purchased an approximately 18.5-acre tract of land at Airport Freeway and N. Industrial Blvd., at the eastern entrance into the City. Since that time, the City has been working closely with a private developer to bring a new mixed-use project to the site, which will include 103 townhomes strategically placed around the perimeter of the site, as well as approximately 60,000 square feet of grocery, retail, and restaurant space. The site plan will also incorporate outdoor restaurant seating that overlooks about an acre of open space, meant for gatherings and small events, with paths connecting the businesses to the townhomes. The property and associated parking were demolished this past year. "Paving the way" for the City selling the property to the developer, who will then commence construction of the necessary infrastructure to serve the development. Terms of the proposed sale to the developer have been finalized and the transaction, along with development entitlements, is expected to occur in spring 2024. In its current form, the project's estimated $25 million property value and $18 million in sales revenues, will generate over $500,000 in new revenue to the city annually.

Another significant planned mixed-use development is Bedford Commons, which is currently in the planning stages and undergoing engineering review. The 30-acre Commons, located in the heart of the community, will contain destination-driven restaurants, retail, office, entertainment, and townhomes, along with unique active space such as a farmer's market and programmed community square. Bedford Commons has an established Tax Increment Reinvestment Zone (known as a "TIRZ") in place. A major part of this project is the expansion of Parkwood Drive. This has been designed and awarded to a contractor, with construction expected in Spring 2024.

A transformative win for the community and an aging retail center, was the successful recruitment of Rock Island Auction Company's headquarters to Bedford. Rock Island relocated their HQ from Illinois to the previously vacant 89,000-square-foot "big box" retail location at 3600 Harwood Road. Rock Island has completely converted the building into the finest brick-and-mortar venue of its type in the world. The purchase also included the adjacent 47,500-square-foot "strip mall", with the intention of making significant improvements to the entire center; these are currently underway. Rock Island Auction holds online and in-person auctions of a large variety of antique and collector firearms, generating a notable level of sales tax revenue to the City. Rock Island held their first in-person auction in December 2023.

Residential Development

While Bedford is largely built out from a residential perspective, the development of new single-family projects has continued through the redevelopment of larger lot properties. Bedford's City Council recently approved the development of the Grace Park Subdivision, which will contain 42-single family homes, and the Haven Townhomes, which will contain 29-townhomes. This year also saw previously dormant projects re-activated, including Oakwood Townhomes, that are slated to contain 72-townhomes, a community pool and multiple open spaces, and the Amherst Townhomes, that will contain 20-townhomes. The previously approved subdivisions of Nicole Court (11-single-family homes) and Oakwood Hills (53-single-family homes) are both progressing toward construction. Additional residential infill development is expected to continue, as greenfield land remains extremely limited in the Mid-Cities area.

Light Industrial Development

In Bedford's industrial sector, CenterPoint Properties completed construction of a new speculative 181,250-square foot Class A warehouse distribution center, located on a long-undeveloped 15-acre site, assembled from two separate parcels along Airport Freeway. This is the first Class A warehouse space built in Bedford since 1995 and is expected to add up to 200 jobs, as well as an estimated $500,000 in additional tax revenue to the City. The site is being actively marketed, providing future tenants with key transportation access, both regionally and nationally due to its proximity to major highways and the DFW International Airport. Additionally, long-time Bedford business, Polycoat Products, gained approval for an approximately $1.6 million expansion.

MAJOR INFRASTRUCTURE PROJECTS

The City's commitment to improving commercial corridors is evident in the on-going utility construction projects that replace water and sanitary lines along Bedford Road and Brown Trail, south of SH183 Deuce Drive, which is located within the same commercial district is also slated for complete reconstruction from a deteriorated asphalt road to a concrete road with new curb and gutter, water, sanitary sewer, sidewalks and associated ramps. The project is anticipated to begin Spring 2024. Utility improvements are currently being installed along the Pipeline Road corridor in preparation of the full reconstruction of the roadway by the City of Euless later this year. The Bell Manor, Joiner Acres, Ravenswood and Russell neighborhoods are also undergoing utility improvements which will be followed by street improvements in future years. Design of the Gregory and Bedford Court Additions project is complete for replacement of deteriorated sanitary sewer, curb and gutter, and full reconstruction or mill and overlay of neighborhood streets with construction planned for Summer/Fall 2024.

On top of the reconstruction and replacement of aging infrastructure, the City's commitment to improving commercial corridors extends to the area in and around Bedford Commons. The first phase of infrastructure improvement for the long-awaited Bedford Commons development will be the full reconstruction of Parkwood Drive. Parkwood Drive between Bedford Road and L. Don Dodson Drive is currently a 2-lane unimproved asphalt road with bar ditches on either side. The roadway will be improved to a 2-lane concrete street with curb and gutter, underground drainage, and renewed water and sanitary sewer to serve the development. The west side of the road will include parallel parking spaces and 6-foot sidewalks and street trees on either side of Parkwood Drive to beautify the area and set the framework for the full build out of the city's premier development.

In addition to the $20 million in infrastructure improvements, there are also two design projects to replace aging utility infrastructure along a prominent commercial corridor and adjacent to the Texas Health Hospital and medical office corridor. There is also a neighborhood street reconstruction project that was awarded grant monies for construction which will replacing sanitary sewer lines that continue to fail and have required several emergency repairs in recent years that is anticipated to begin construction as early as late summer.

Thoroughfare improvements have been prioritized with funding from a 2021 Bond. The thoroughfare projects planned for the coming year are Cummings Drive from Central Drive to the existing concrete section near Crystal Springs Street and Wade Drive from Hurst Street to Pipeline Road. Due to the proximity to Spring Garden Elementary, Cummings Drive is planned to begin while school is not in session. The City annually partners with Tarrant County Precinct 3 for the paving of major collector and arterial roadways. This year's project is the improvement of Wade Drive from Hurst Street to Pipeline Road and is scheduled to begin early Spring. Finally, the traffic signals at the intersection of Central Drive and Cummings Drive are scheduled for a full upgrade in the spring.

Beyond streets and utilities, the City is also undertaking a city-wide drainage master plan to prioritize projects in the CIP. The master plan includes evaluation of the existing storm drain system including drainageways and channels. The study is an extensive project that is anticipated to take a year to complete. The results of the study will be compiled in a report prioritizing projects and costs that can be incorporated in future CIP budgets.

Public Works staff continue to repair and replace sidewalks, curbs, gutters, ramps and concrete street panels throughout the City.

The Environmental Division of Public Works ensures that the City complies with TCEQ and EPA requirements and is responsible for public outreach to the community and within schools to promotes water conservation and educated the public about fats, oils, and grease to protect the city's infrastructure.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received, and the liabilities are incurred. Accounting records for the City's proprietary funds are maintained on an accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. The internal control structure is designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived and the evaluation of cost and benefits requires estimates and judgments by management. We believe the City's internal control structure is adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The budgetary process begins each year with the preparation of revenue estimates by the City's Administrative Services staff and expenditure estimates by each City department. Estimates are reviewed by the City Manager and evaluated within the total financial framework. Budget proposals are recommended by the City Manager and reviewed extensively by the City Council, a process that includes a public hearing. After the conclusion of the public hearing, the City Council may make changes as deemed appropriate. The budget is then adopted by ordinance, which also adopts the tax rate.

In addition, the annual budget also contains a capital improvement program which may be revised and extended each year to indicate capital improvements pending or in process of construction or acquisition. The capital program includes a list of all capital improvements that are planned during the upcoming five fiscal years, cost estimates, time schedules and methods of financing for each improvement.

All eligible property within the City is subject to assessment, levy, and collection of a continuing, direct ad valorem tax sufficient to provide for the payment of principal and interest on outstanding bonds within the limits prescribed by law, and the payment of operation and maintenance costs as approved by the City Council. Under state law, the City is limited to a maximum tax rate of $2.50 per $100 assessed valuation. In addition, the City's home rule charter limits the tax rate to a maximum of $1.50 per $100 assessed valuation.

Purpose	FY 2022-2023	FY 2021-2022	FY 2020-2021	FY 2019-2020
Maintenance & Operations	$.367497	$.386990	$.384633	$.377409
Interest & Sinking (Debt Service)	.128229	.165010	.184367	.191591
Total Tax Rate	$.495726	$.552000	$.569000	$.569000

The appraisal of property within the City is the responsibility of the Tarrant Appraisal District (TAD). The City of Bedford and other taxing jurisdictions in Tarrant County provide a pro rata share of the budgeted expenditures incurred by TAD based upon individual levy. The City contracts with the Tarrant County Tax Office for tax billing and collection services.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bedford for its Annual Comprehensive Financial Report (ACFR) for fiscal year ended September 30, 2022. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement a government unit must publish an easily readable and efficiently organized ACFR with contents that conform to program standards. In addition, an award-winning ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This is the 27th consecutive year the City of Bedford has received the Certificate of Achievement. We believe our current report continues to meet the Certificate of Achievement program requirements and we are submitting it to GFOA for their consideration.

ACKNOWLEDGMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Administrative Services Department. We would like to express our appreciate for assistance provided by our auditors, Weaver and Tidwell, L.L.P. Appreciation is also expressed to the City employees throughout the organization, especially those responsible for the maintenance of records upon which this report is based. The administrative and finance staff also wish to commend and thank the Mayor and the members of the City Council for their leadership and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

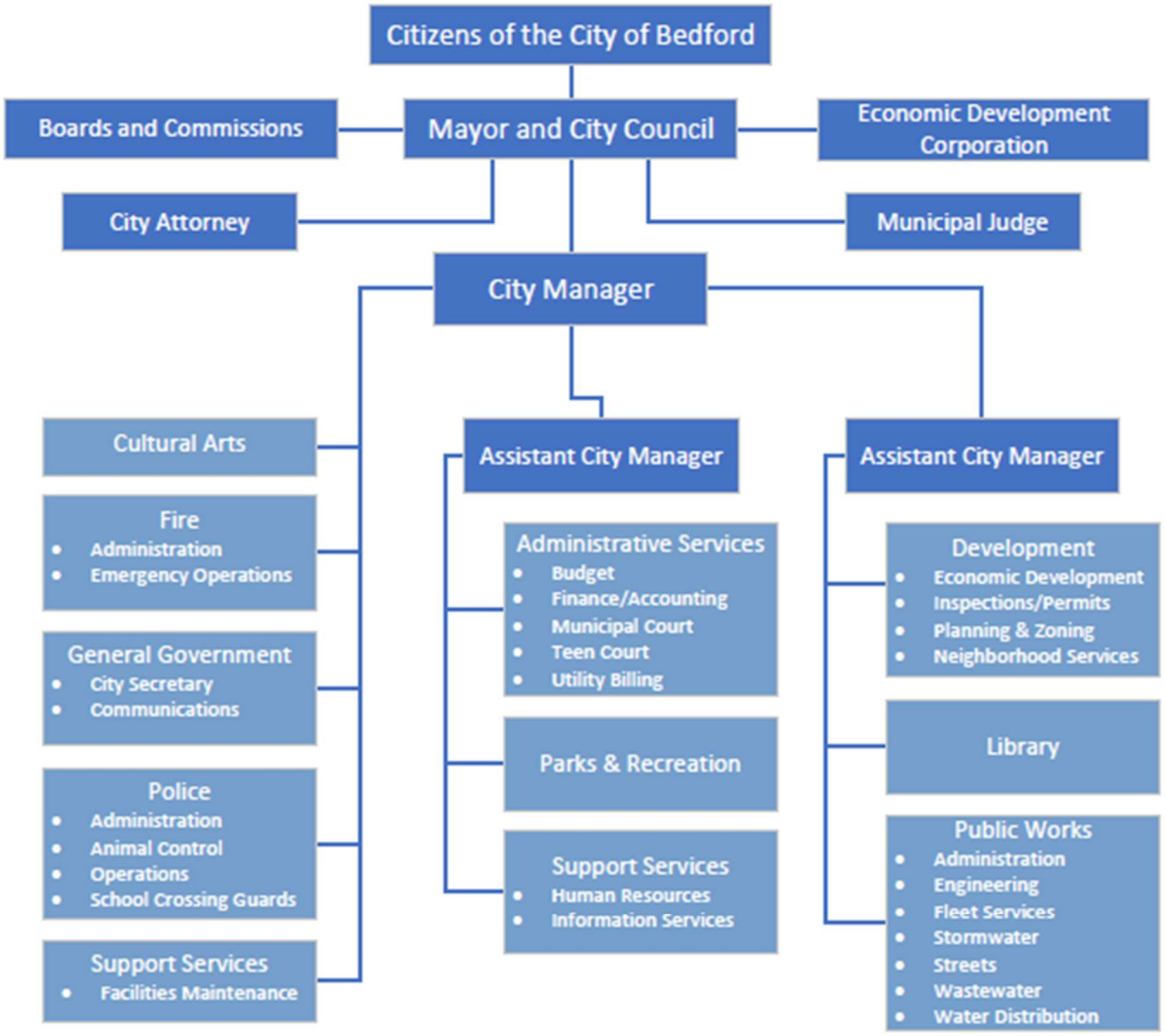
Respectfully submitted,

Andrea Roy
Interim City Manager

Caryn Riggs
Assistant City Manager/CFO

City of Bedford Organizational Chart

(As of December 1, 2022)



Principal Officials
As of September 12, 2023

BEDFORD CITY COUNCIL

Michael Boyter, Mayor

Nichelle Dawkins, Place 1

Dan Cogan, Place 2

Amy Sabol, Mayor Pro Tem/Place 3

Rich Steves, Place 4

Steve Farco, Place 5

Rob Gagliardi, Place 6

EXECUTIVE LEADERSHIP TEAM

Jimmy Stathatos, City Manager

Caryn Riggs ..... Assistant City Manager

Andrea Roy ..... Assistant City Manager

Stephanie Ayers ..... Director of Human Resources

Molly Fox ..... Director of Communications

Mark Long ..... Director of Parks and Recreation

Levi Miller ..... Information Technology Director

Brady Olsen ..... Finance Director

Maria Redburn ..... Library Director

Cheryl Taylor ..... Director of Public Works/Engineering

Bill Walker ..... Fire Chief

Michael Wells ..... City Secretary

Jeff Williams ..... Police Chief

Annual Comprehensive Financial Report
Fiscal Year 2022-2023

City of Bedford, Texas

Prepared by the Department of Financial Services

Caryn Riggs, C.G.F.O. ..... Assistant City Manager/ Chief Financial Officer

Brady Olsen, C.G.F.O. .....Finance Director

Meg Jakubik, C.G.F.O. .....Strategic Services Manager

Kimberly Robinson, CPA .....Accounting Manager

Chloe Schultz, CPA .....Senior Accountant

Stefanie Spivey ..... Financial Analyst

Charlenia Castillo .....Senior Accounting Technician

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bedford
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

Financial Section

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weaver
Assurance • Tax • Advisory

Independent Auditor's Report

The Mayor and City Council
City of Bedford, Texas
Bedford, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bedford, Texas (City) as of and for the year ended September 30, 2023, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the basic financial statements, during the year ended September 30, 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

The Mayor and City Council
City of Bedford, Texas
Bedford, Texas

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Mayor and City Council
City of Bedford, Texas
Bedford, Texas

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund statements and schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
March 22, 2024

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City of Bedford
Management's Discussion and Analysis
September 30, 2023

The management of the City of Bedford offers readers of the financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets and deferred outflows of resources of the City of Bedford exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $104,930,071.
- The City's total net position increased by $16,098,287. The majority of this increase is related to a bond issuance for capital projects, along with an increase in investment earnings and departmental expenditure controls.
- As of September 30, 2023, the City of Bedford's governmental funds reported combined ending fund balances of $56,094,335, an increase of $13,802,374 in comparison with the prior year. This increase is related to the issuance of debt for capital projects. 24.85% of this total amount, $13,938,875, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, the unassigned fund balance for the general fund was $13,935,875, or 32.10% of total general fund expenditures.
- The City of Bedford's total debt obligations increased by $13,235,000 or 10.05% due to the issuance of debt for capital projects.

Overview of the Financial Statements

The management discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, other non-financial factors should also be considered.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in prior reporting models.

In the Statement of Net Position and the Statement of Activities, the City is divided between two kinds of activities:

- **Governmental activities**. Most of the City's basic services are reported here, including the police, fire, library services, community development, public services, information services, park services, municipal court, and general administration. Property taxes, sales taxes, and franchise fees finance most of these activities.

- **Business-type activities**. The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer and drainage utilities are reported here.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by state law or bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. All of the funds of the City of Bedford are divided into two categories: governmental funds and proprietary funds.

Governmental funds. The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a detailed reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary funds. The City charges customers for the services it provides, whether to outside customers or to other units within the City. These services are generally reported in proprietary funds. Proprietary funds are reported in the same manner that all activities are reported in the Statement of Net Position and the Statement of Activities.

The City of Bedford maintains an enterprise fund to account for water, sewer and drainage services provided to the City's retail and wholesale customers. All activities associated with providing such services are accounted for in this fund, including administration, operation, maintenance, debt service, capital improvements, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City is the trustee, or fiduciary, for the retirees Other Post-Employment Benefits (OPEB). The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Changes in Fiduciary Net Position.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and funds financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the general fund revenue and expenditures budget and actual information, as well as, the funding progress and contributions of TMRS and the City's other post-retirement benefits (OPEB).

Government-wide Financial Analysis

The City's combined net position is $104,930,071 as of September 30, 2023. Analyzing the net position and net expenses of governmental and business-type activities separately, business-type activities' net position is $57,959,433. This analysis focuses on the net position and changes in general revenues and significant expenses of the City's governmental and business-type activities.

The largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the City's net position:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current assets	$ 67,625	$ 59,856	$ 30,933	$ 27,219	$ 98,558	$ 87,075
Restricted investments	-	-	23,780	22,787	23,780	22,787
Capital assets	114,566	104,799	66,474	65,464	181,040	170,263
Total assets	182,191	164,655	121,187	115,470	303,378	280,125
Deferred outflows of resources	6,220	3,039	556	319	6,776	3,358
Current liabilities	19,272	24,675	5,806	5,686	25,078	30,361
Long-term liabilities	121,343	101,536	57,949	58,998	179,292	160,534
Total liabilities	140,615	126,211	63,755	64,684	204,370	190,895
Deferred inflows of resources	826	3,510	29	247	855	3,757
Net Position						
Net Investment in capital assets	51,123	45,065	44,946	41,873	96,069	86,938
Restricted	11,913	11,044	-	-	11,913	11,044
Unrestricted	(16,066)	(18,136)	13,013	8,985	(3,053)	(9,151)
Total net position	$ 46,970	$ 37,973	$ 57,959	$ 50,858	$ 104,929	$ 88,831

Governmental activities. The following table provides a summary of the City's operations for the year ended September 30, 2023. Governmental activities increased the City's net position by $8,997,320, accounting for 55.89% of the total increase in net position. The majority of governmental activities increase in net position is related to an increase in sales tax, hotel occupancy taxes and investment earnings.

Business-type activities. Business-type activities increased the City's net position by $7,100,967, accounting for 44.11% of the total increase in net position. This is primarily due to an increase in water usage and investment earnings.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	$ 6,290	$ 5,954	$ 28,725	$ 28,298	$ 35,015	$ 34,252
Operating grants and contributions	1,331	3,660	-	-	1,331	3,660
Capital grants and contributions	2,575	380	1,243	484	3,818	864
General revenues						
Property taxes	25,820	25,361	-	-	25,820	25,361
Other taxes	20,616	19,997	-	-	20,616	19,997
Interest and investment earnings	2,158	437	1,753	346	3,911	783
Gain (loss) on disposal of assets	(1,178)	(19)	376	(62)	(802)	(81)
Other general revenue	467	752	-	-	467	752
Total revenues	58,079	56,522	32,097	29,066	90,176	85,588
Expenses						
Public safety	26,665	27,844	-	-	26,665	27,844
Leisure services	6,211	4,851	-	-	6,211	4,851
Community services	2,339	2,264	-	-	2,339	2,264
General government/administration	9,095	7,941	-	-	9,095	7,941
Public services	5,301	4,962	-	-	5,301	4,962
Interest on long term debt	2,629	2,489	-	-	2,629	2,489
Water and sewer	-	-	20,774	21,072	20,774	21,072
Stormwater	-	-	1,064	966	1,064	966
Total expenses	52,240	50,351	21,838	22,038	74,078	72,389
Increases (decreases) in net position before transfers	5,839	6,171	10,259	7,028	16,098	13,199
Transfers	3,158	2,963	(3,158)	(2,963)	-	-
Increase in net position	8,997	9,134	7,101	4,065	16,098	13,199
Net position - October 1	37,973	28,910	50,858	46,793	88,831	75,703
Cumulative effect of change in accounting principle	-	(71)	-	-	-	(71)
Net position - September 30	$ 46,970	$ 37,973	$ 57,959	$ 50,858	$ 104,929	$ 88,831

Financial Analysis of the Government's Funds

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $56,094,335, an increase of $13,802,374 in comparison with the prior year. Approximately $13,938,875 or 24.85% of the total amount constitutes unassigned fund balance, which is available for spending at the City's discretion. Fund balance of $42,123,765 or 75.09% is restricted to indicate that it is not available for new spending. The City also has prepaid items and inventory totaling $31,695 or 0.06% which are classified as non-spendable fund balance.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund totaled $13,935,875, while total fund balance was $13,967,192. Unassigned fund balance represents 32.10% of total general fund expenditures.

The fund balance of the City's general fund increased by $2,219,255 during the current fiscal year.

Key factors are as follows:

- Interest income higher than budget
- Charges for services higher than budget
- Support from government entities higher than budget

The debt service fund has a total fund balance of $775,844, a decrease of $781,977.

The economic development 4B fund ended the year with a fund balance of $5,145,124. This is due to an increase in sales tax revenue and interest income.

The fund balance of the City's capital projects fund increased by $11,009,812 during the current fiscal year due to the issuance of debt for capital projects, as well as activity primarily related to the Phase Next project.

Other governmental funds have a total fund balance of $6,325,102, an increase of $1,114,491. The majority of the increase is related to the Tourism Fund and the ARPA fund. The ARPA fund was previously included with the general fund.

Proprietary funds. The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Net position in the Enterprise Funds totaled $57,959,433 at the end of the fiscal year 2023, an increase of $7,100,967. Included in net position is $44,946,022 net investment in capital assets. The remaining net position balance of $13,013,411 is unrestricted net position. In the current fiscal year, total operating revenues are $28,724,854 while operating expenses are $20,279,275. Revenue increased over the prior year due to a change in utility rates.

General Fund Budgetary Highlights

During fiscal year 2022-2023, the City Council of the City of Bedford amended the budget for the General Fund once. The original expenditure budget was amended to increase the budget by $230,000.

The capital outlay budget increased to allow for the replacement of network switches.

Staff reviewed the supplemental appropriation and determined that reserves were sufficient to recommend an increase.

For fiscal year 2022-2023, actual expenditures, including transfers, on a budgetary basis were $43,537,019 compared to the amended budget of $44,419,696. This was a positive $882,677 variance. Actual revenue, including transfers, on a budgetary basis was $45,756,274 compared to the amended budget of $44,594,640. This was a positive $1,161,634 variance. This is primarily due to cost savings within departmental budgets, as well as revenues coming in higher than budget.

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounted to $180,803,683 (net of accumulated depreciation). This investment in capital assets includes land, buildings, parks, equipment, roads, and water and sewer lines.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 20,062	$ 20,062	$ 100	$ 100	$ 20,162	$ 20,162
Buildings and structures	25,368	25,381	903	903	26,271	26,284
Other improvements	128,739	126,400	-	-	128,739	126,400
Equipment	18,278	33,136	3,875	4,169	22,153	37,305
Right to use leased equipment	5,284	5,359	118	118	5,402	5,477
Right to use subscription asset	1,486	-	421	-	1,907	-
Utility distribution	-	-	111,544	102,972	111,544	102,972
Construction in progress	70,252	61,009	2,401	7,911	72,653	68,920
Total capital assets	269,469	271,347	119,362	116,173	388,831	387,520
Accumulated depreciation/amortization	(155,140)	(167,010)	(52,888)	(50,709)	(208,028)	(217,719)
Total capital assets net of accumulated depreciation/amortization	$ 114,329	$ 104,337	$ 66,474	$ 65,464	$ 180,803	$ 169,801

Additional information on the City's capital assets can be found in Note 7 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonds outstanding of $144,975,000 in tax supported debt

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligations	$ 63,765	$ 67,410	$ 8,770	$ 9,760	$ 72,535	$ 77,170
Certificates of obligation	23,035	4,255	48,810	49,140	71,845	53,395
Tax note	595	1,175	-	-	595	1,175
Total	$ 87,395	$ 72,840	$ 57,580	$ 58,900	$ 144,975	$ 131,740

The City of Bedford's bonded debt increased by $13,235,000 during the current fiscal year. The increase is due to the issuance of debt for capital projects coupled with the city's annual debt payment.

The City was upgraded from an AA to an AA+ credit rating with S&P, indicating very strong financial strength and a low investment risk.

The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to $2.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. Additionally, Section 6.01 of the Bedford City Charter states a maximum of $1.50 per $100 assessed valuation to levy taxes. The city's tax rate for FY 2022-23 was $.495726 per $100 assessed valuation.

Additional information on the City's long-term debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

The City experienced growth in taxable values this fiscal year. The City's estimated net taxable values grew by 10.81%. The fiscal year 2023-2024 includes total net taxable values of $6,333,743,721 and incorporates a flat tax rate. The adopted rate is $.495726 per $100 valuation.

The City increased the base operating budget for fiscal year 2023-2024 primarily due to compensation increases and decision packages added during the budget process. Decision packages included an additional position for Facilities. The budget also included additional funding to enhance the City's communication efforts, funding for security camera improvements, network auditing services, new software for the Police Department, and additional programming increases in the Library.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Bedford, Financial Services, 2000 Forest Ridge Drive, Bedford, Texas 76021.

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Basic Financial Statements

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City of Bedford, Texas
Statement of Net Position
Year Ended September 30, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 24,341,882	$ 12,243,726	$ 36,585,608
Investments	35,893,155	13,729,618	49,622,773
Accounts receivables, net of allowance	7,358,752	4,214,266	11,573,018
Inventories and prepaid expenses	31,695	745,583	777,278
Total current assets	67,625,484	30,933,193	98,558,677
Noncurrent assets			
Restricted investments with trustee	-	23,779,868	23,779,868
Lease receivables	237,003	-	237,003
Capital assets, not being depreciated	90,313,481	2,501,744	92,815,225
Capital assets, being depreciated/amortized, net	24,015,889	63,972,569	87,988,458
Total noncurrent assets	114,566,373	90,254,181	204,820,554
Total assets	182,191,857	121,187,374	303,379,231
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension and OPEB contributions	3,246,340	259,115	3,505,455
Deferred pension and OPEB experience difference	2,906,618	234,691	3,141,309
Deferred charges on refundings	67,008	62,559	129,567
Total deferred outflows of resources	6,219,966	556,365	6,776,331
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	3,093,815	1,266,774	4,360,589
Accrued interest	521,422	273,222	794,644
Customer deposits	-	1,210,648	1,210,648
Unearned revenue	7,329,124	-	7,329,124
Current portion of leases payable	837,095	23,014	860,109
Current portion of SBITA	328,230	91,466	419,696
Current portion of bonds payable and tax notes	5,827,594	2,868,157	8,695,751
Current portion of compensated absences	1,335,105	72,179	1,407,284
Total current liabilities	19,272,385	5,805,460	25,077,845
Noncurrent liabilities			
Leases payable	676,670	45,791	722,461
Subscription liability	521,927	145,353	667,280
Bonds payable and tax notes	84,959,626	55,166,270	140,125,896
Compensated absences	2,903,109	64,061	2,967,170
Net pension liability	31,128,373	2,517,555	33,645,928
Other post-employment benefits	1,153,586	10,369	1,163,955
Total noncurrent liabilities	121,343,291	57,949,399	179,292,690
Total liabilities	140,615,676	63,754,859	204,370,535
DEFERRED INFLOWS OF RESOURCES			
Lease related	461,416	-	461,416
Deferred pension and OPEB change in assumptions	9,357	757	10,114
Deferred pension and OPEB experience difference	354,736	28,690	383,426
Total deferred inflows of resources	825,509	29,447	854,956
NET POSITION			
Net investment in capital assets	51,122,939	44,946,022	96,068,961
Restricted for			
Street, drainage, and capital improvements	2,643,158	-	2,643,158
Debt service	446,388	-	446,388
Economic development	5,145,124	-	5,145,124
Community services	3,054,131	-	3,054,131
Grants	84,724	-	84,724
Administrative servies	-		-
Public safety	428,844	-	428,844
Parks and beautification	110,867	-	110,867
Unrestricted (deficit)	(16,065,537)	13,013,411	(3,052,126)
TOTAL NET POSITION	$ 46,970,638	$ 57,959,433	$ 104,930,071

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas
Statement of Activities
Year Ended September 30, 2023

Program Activities	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities				
General government and administration	$ 9,094,971	$ 322,502	$ 1,219,642	$ -
Community services	2,338,754	872,022	-	-
Public services	5,300,817	69,070	-	2,282,228
Public safety	26,664,613	4,851,809	58,897	292,868
Leisure services	6,211,225	174,435	52,137	-
Interest expense	2,629,240	-	-	-
Total governmental activities	52,239,620	6,289,838	1,330,676	2,575,096
Business-type activities				
Water and sewer services	20,773,896	26,839,829	-	899,470
Stormwater collection and disposal	1,064,196	1,885,025	-	343,727
Total business-type activities	21,838,092	28,724,854	-	1,243,197
TOTAL PRIMARY GOVERNMENT	$ 74,077,712	$ 35,014,692	$ 1,330,676	$ 3,818,293

General revenues	
Taxes	
Property taxes, penalty and interest	
Sales	
Franchise	
Occupancy	
Investment earnings	
(Gain)/loss on disposal of asset	
Miscellaneous	
Transfers	
Total general revenues and transfers	
Changes in net position	
Net position, beginning of year	
NET POSITION, end of year	

The Notes to the Financial Statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
$ (7,552,827)	$ -	$ (7,552,827)
(1,466,732)	-	(1,466,732)
(2,949,519)	-	(2,949,519)
(21,461,039)	-	(21,461,039)
(5,984,653)	-	(5,984,653)
(2,629,240)	-	(2,629,240)
(42,044,010)	-	(42,044,010)
-	6,965,403	6,965,403
-	1,164,556	1,164,556
-	8,129,959	8,129,959
$ (42,044,010)	$ 8,129,959	$ (33,914,051)
$ 25,820,017	$ -	$ 25,820,017
16,180,126	-	16,180,126
2,904,191	-	2,904,191
1,531,409	-	1,531,409
2,158,253	1,753,082	3,911,335
(1,177,544)	375,726	(801,818)
467,078	-	467,078
3,157,800	(3,157,800)	-
51,041,330	(1,028,992)	50,012,338
8,997,320	7,100,967	16,098,287
37,973,318	50,858,466	88,831,784
$ 46,970,638	$ 57,959,433	$ 104,930,071

City of Bedford, Texas
Balance Sheet – Governmental Funds
September 30, 2023

	General	Debt Service	Economic Development 4B
ASSETS			
Cash and cash equivalents	$ 4,940,429	$ -	$ 1,621,092
Investments	6,612,340	793,171	2,865,107
Receivables			
Taxes, less allowance for uncollectible	3,143,496	80,144	717,540
Accounts	823,791	-	-
Lease	461,416	-	-
Other	1,588,931	-	-
Due from other funds	114,165	-	-
Inventories and prepaid items	31,317	-	-
Total assets	17,715,885	873,315	5,203,739
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	2,738,687	1,488	58,615
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	2,738,687	1,488	58,615
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	548,590	95,983	-
Lease related	461,416	-	-
Total deferred inflows of resources	1,010,006	95,983	-
FUND BALANCES			
Nonspendable			
Inventories and prepaid items	31,317	-	-
Restricted for			
Debt service	-	775,844	-
Street and drainage improvements	-	-	-
Capital acquisition and construction	-	-	-
Economic development	-	-	5,145,124
Community services	-	-	-
Public safety	-	-	-
Parks and beautification	-	-	-
Grants	-	-	-
Unassigned	13,935,875	-	-
Total fund balances	13,967,192	775,844	5,145,124
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 17,715,885	$ 873,315	$ 5,203,739

The Notes to the Financial Statements are an integral part of this statement.

Capital Projects	Nonmajor Government	Total
$ 11,831,525	$ 5,948,836	$ 24,341,882
18,258,710	7,363,827	35,893,155
-	18,909	3,960,089
-	518,934	1,342,725
-	-	461,416
3,370	239,224	1,831,525
-	-	114,165
-	378	31,695
30,093,605	14,090,108	67,976,652
212,532	82,493	3,093,815
-	114,165	114,165
-	7,329,124	7,329,124
212,532	7,525,782	10,537,104
-	239,224	883,797
-	-	461,416
-	239,224	1,345,213
-	378	31,695
-	-	775,844
-	2,643,158	2,643,158
29,881,073	-	29,881,073
-	-	5,145,124
-	3,054,131	3,054,131
-	428,844	428,844
-	110,867	110,867
-	84,724	84,724
-	3,000	13,938,875
29,881,073	6,325,102	56,094,335
$ 30,093,605	$ 14,090,108	$ 67,976,652

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City of Bedford, Texas
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
September 30, 2023

Fund balances of governmental funds		$ 56,094,335
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets (net of accumulated depreciation/amortization) used in governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds. Capital assets are reported in the government-wide financial statements, net of accumulated depreciation/amortization.		114,329,370
Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.		(521,422)
Revenues earned but not available within 60 days of the year-end are not recognized as revenue on the fund financial statements.		883,797
Deferred outflows of resources and deferred inflows of resources represent amounts related to future periods and, therefore, are not reported in the fund financial statements. Deferred outflows of resources and deferred inflows of resources at year-end consist of:		
Employer pension and OPEB contributions	$ 3,246,340	
Pension and OPEB Investment difference	2,906,618	
Deferred charges on refundings	67,008	
Pension and OPEB change in assumptions	(9,357)	
Pension and OPEB experience difference	(354,736)	5,855,873
Noncurent liabilities are not due and payable in the current period and therefore are not reported in the fund financial statements. Noncurrent liabilities at year-end consist of:		
General and contractual obligation bonds	(87,395,000)	
Bond premium	(3,392,220)	
Leases payable	(1,513,765)	
Subscription liability	(850,157)	
Net pension liability	(31,128,373)	
Compensated absences	(4,238,214)	
OPEB liability	(1,153,586)	(129,671,315)
Total net position of governmental activities		$ 46,970,638

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds
Year Ended September 30, 2023

	General	Debt Service	Economic Development 4B
REVENUES			
Taxes, penalty and interest	$ 34,956,973	$ 5,811,010	$ 3,975,292
Licenses, permits, and fees	1,097,630	-	-
Charges for services	2,505,701	-	-
Fines and forfeitures	1,399,262	-	-
Support from governmental entities	1,190,050	-	-
Interest	533,661	77,949	181,738
Miscellaneous	330,724	-	-
Total revenues	42,014,001	5,888,959	4,157,030
EXPENDITURES			
Current			
General government	1,885,813	-	-
Support services	2,518,874		
Development	2,188,677	-	-
Public works	1,090,788	-	2,711,979
Administrative services	3,431,836	-	-
Police	13,947,534	-	-
Fire	10,822,036		
Community Services	4,791,788	-	-
Capital outlay	1,062,311	-	252,628
Debt service			
Principal retirement	1,507,575	4,265,000	610,000
Interest and fiscal agent fees	169,457	2,405,936	55,620
Total expenditures	43,416,689	6,670,936	3,630,227
Excess (deficiency) of revenues over (under) expenditures	(1,402,688)	(781,977)	526,803
OTHER FINANCING SOURCES (USES)			
Transfers in	3,632,883	-	-
Transfers out	(120,330)	-	(286,010)
Issuance of debt- bonds	-	-	-
Premium on bonds issued	-	-	-
Issuance of debt- leases	8,265	-	-
Insurance proceeds	101,125	-	-
Total other financing sources (uses)	3,621,943	-	(286,010)
Net change in fund balance	2,219,255	(781,977)	240,793
Fund balances, beginning of year	11,747,937	1,557,821	4,904,331
FUND BALANCES, end of year	$ 13,967,192	$ 775,844	$ 5,145,124

The Notes to the Financial Statements are an integral part of this statement.

Capital Projects	Nonmajor Government	Total
$ -	$ 1,671,108	$ 46,414,383
-	-	1,097,630
-	63,542	2,569,243
-	136,694	1,535,956
-	292,868	1,482,918
857,326	507,579	2,158,253
-	1,389,905	1,720,629
857,326	4,061,696	56,979,012
-	541,158	2,426,971
	9,000	2,527,874
-	49,474	2,238,151
-	10,391	3,813,158
-	-	3,431,836
-	866,265	14,813,799
	110,139	10,932,175
4,343	555,715	5,351,846
10,053,146	692,412	12,060,497
-	43,740	6,426,315
156,396	168	2,787,577
10,213,885	2,878,462	66,810,199
(9,356,559)	1,183,234	(9,831,187)
-	120,330	3,753,213
-	(189,073)	(595,413)
19,430,000	-	19,430,000
936,371	-	936,371
-	-	8,265
-	-	101,125
20,366,371	(68,743)	23,633,561
11,009,812	1,114,491	13,802,374
18,871,261	5,210,611	42,291,961
$ 29,881,073	$ 6,325,102	$ 56,094,335

City of Bedford, Texas

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2023

Net change in fund balances – total governmental funds		$ 13,802,374
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.		12,083,457
The values of donated capital assets are not recorded in the governmental funds because they do not provide current financial resources, but they are recognized as capital contributions in the statement of activities.		2,258,228
Depreciation/amortization expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation/amortization expense is not reported as expenditures in the governmental funds.		(4,197,600)
Governmental funds report proceeds from sales of capital assets as other financing sources, but they are reported net of any remaining net book value of assets sold, or disposed of without proceeds, in the statement of activities.		(152,079)
Current year principal payments of long-term liabilities are shown as expenditures in the fund financial statements, but shown as reductions in long-term liabilities in the government-wide financial statements as follows:		
General and certificates of obligation bonds	$ 4,875,000	
Subscription liability	370,464	
Leases payable	1,180,851	
		6,426,315
The issuance of long-term debt, such as bonds and leases, are shown as "Other Sources" and "Other Uses" in the governmental funds, but are shown on the statement of net position with related costs amortized over the life of the bonds. Differences consist of the following:		
Issuance of debt- leases	(39,934)	
Premium on bonds (issued) refunded	(936,371)	
Issuance of debt- bonds	(19,430,000)	
Subscription liability	(1,220,621)	
Additions (amortization) of refunding loss	(7,541)	
Amortization and refunding of bond premium	267,594	
		(21,366,873)
Current year pension expenditures are reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in deferred outflows of resources and deferred inflow of resources balances.		20,139
Current year OPEB benefit reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in OPEB liability, deferred outflows of resources and deferred inflow of resources balances.		350,404
Current year change in long-term liability for compensated absences liability do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. This is reflected in current and noncurrent compensated absences.		(247,513)
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		(101,716)
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. This is the net change in these revenues for the year.		122,184
Change in net position of governmental activities		$ 8,997,320

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas
Statement of Net Position
Proprietary Funds
September 30, 2023

	Water and Sewer	Stormwater Utility	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 8,703,753	$ 3,539,973	$ 12,243,726
Investments	12,212,456	1,517,162	13,729,618
Accounts receivable, net of allowance	3,969,927	244,339	4,214,266
Prepaid items	745,583	-	745,583
Total current assets	25,631,719	5,301,474	30,933,193
Noncurrent assets			
Restricted investments with trustee	23,779,868	-	23,779,868
Property, plant and equipment			
Land	100,255	-	100,255
Equipment	3,686,495	188,522	3,875,017
Buildings and improvements	903,239	-	903,239
Utility distribution	93,934,429	17,608,860	111,543,289
Construction in progress	2,291,841	109,648	2,401,489
Right of use asset	118,208	-	118,208
Subscription asset	415,420	5,188	420,608
Less accumulated depreciation	(43,626,865)	(9,260,927)	(52,887,792)
Property, plant and equipment, net	57,823,022	8,651,291	66,474,313
Total noncurrent assets	81,602,890	8,651,291	90,254,181
Total assets	107,234,609	13,952,765	121,187,374
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension and OPEB contributions	227,388	31,727	259,115
Deferred pension and OPEB experience difference	205,913	28,778	234,691
Deferred charges on refundings	30,039	32,520	62,559
Total deferred outflows of resources	463,340	93,025	556,365
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	1,245,027	21,747	1,266,774
Accrued interest	248,638	24,584	273,222
Customer deposits	1,210,648	-	1,210,648
Current portion compensated absences	66,003	6,176	72,179
Current portion of bonds payable	2,503,935	364,222	2,868,157
Current portion of subscription payable	90,589	877	91,466
Current portion of leases payable	23,014	-	23,014
Total current liabilities	5,387,854	417,606	5,805,460
Noncurrent liabilities			
Net pension liability	2,208,785	308,770	2,517,555
Bonds payable	50,492,166	4,674,104	55,166,270
Compensated absences	64,061	-	64,061
Other post-employment benefits	10,369	-	10,369
Subscription liability	142,638	2,715	145,353
Leases payable	45,791	-	45,791
Total noncurrent liabilities	52,963,810	4,985,589	57,949,399
Total liabilities	58,351,664	5,403,195	63,754,859
DEFERRED INFLOWS OF RESOURCES			
Deferred pension and OPEB change in assumptions	664	93	757
Deferred pension and OPEB experience difference	25,171	3,519	28,690
Total deferred inflows of resources	25,835	3,612	29,447
NET POSITION			
Net investment in capital assets	38,798,861	6,147,161	44,946,022
Unrestricted	10,521,589	2,491,822	13,013,411
TOTAL NET POSITION	$ 49,320,450	$ 8,638,983	$ 57,959,433

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Revenues, Expenses and
Changes in Fund Net Position – Proprietary Funds
Year Ended September 30, 2023

	Water and Sewer	Stormwater Utility	Total
OPERATING REVENUES			
Water sales	$ 16,947,250	$ -	$ 16,947,250
Charges for sewer services	9,498,067	-	9,498,067
Stormwater charges	-	1,853,832	1,853,832
Other	394,512	31,193	425,705
Total operating revenues	26,839,829	1,885,025	28,724,854
OPERATING EXPENSES			
Water supply and distribution	10,197,492	-	10,197,492
Wastewater collection and disposal	5,717,685	-	5,717,685
Billing and collection	1,113,630	567,005	1,680,635
Public services/engineering	193,336	-	193,336
Depreciation and amortization	2,135,535	354,592	2,490,127
Total operating expenses	19,357,678	921,597	20,279,275
OPERATING INCOME	7,482,151	963,428	8,445,579
NONOPERATING REVENUES (EXPENSES)			
Interest income	1,576,825	176,257	1,753,082
Loss on sale of assets	375,726	-	375,726
Interest expense and fiscal agent charges	(1,416,218)	(142,599)	(1,558,817)
Total nonoperating revenues (expenses)	536,333	33,658	569,991
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	8,018,484	997,086	9,015,570
CAPITAL CONTRIBUTIONS	899,470	343,727	1,243,197
TRANSFERS IN	74,435	-	74,435
TRANSFERS OUT	(2,840,910)	(391,325)	(3,232,235)
CHANGE IN NET POSITION	6,151,479	949,488	7,100,967
NET POSITION, beginning of year	43,168,971	7,689,495	50,858,466
NET POSITION, end of year	$ 49,320,450	$ 8,638,983	$ 57,959,433

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2023

	Water and Sewer	Stormwater Utility	Total
OPERATING ACTIVITIES			
Receipts from customers and users	$ 26,587,017	$ 1,889,668	$ 28,476,685
Payments to suppliers	(15,281,613)	(253,983)	(15,535,596)
Payments to or on behalf of employees for services	(2,351,123)	(309,657)	(2,660,780)
Net cash provided by operating activities	8,954,281	1,326,028	10,280,309
NONCAPITAL FINANCING ACTIVITIES			
Transfers in	74,435	-	74,435
Transfers out	(2,840,910)	(391,325)	(3,232,235)
Net cash used in noncapital financing activities	(2,766,475)	(391,325)	(3,157,800)
CAPITAL AND RELATED FINANCING ACTIVITIES			
Issuance of capital related debt	406,214	4,447	410,661
Principal paid on capital related debt	(1,158,446)	(340,855)	(1,499,301)
Interest and fiscal agent fees	(1,416,218)	(151,821)	(1,568,039)
Acquisition and construction of capital assets	(1,868,386)	(12,849)	(1,881,235)
Net cash used in capital and related financing activities	(4,036,836)	(501,078)	(4,537,914)
INVESTING ACTIVITIES			
Purchase of investments	(12,443,306)	-	(12,443,306)
Proceeds from sale of investments	-	(758,201)	(758,201)
Interest on investments	1,576,825	176,257	1,753,082
Net cash provided by operating activities	(10,866,481)	(581,944)	(11,448,425)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(8,715,511)	(148,319)	(8,863,830)
CASH AND CASH EQUIVALENTS, beginning of year	17,419,264	3,688,292	21,107,556
CASH AND CASH EQUIVALENTS, end of year	$ 8,703,753	$ 3,539,973	$ 12,243,726

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2023

	Water and Sewer	Stormwater Utility	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	$ 7,482,151	$ 963,428	$ 8,445,579
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation and amortization	2,135,535	354,592	2,490,127
Changes in			
Receivables	(275,223)	4,643	(270,580)
Prepaid items	(99,570)	-	(99,570)
Accounts payable and accrued liabilities	(111,112)	(1,794)	(112,906)
Pension & other post employment benefits	(174,827)	5,159	(169,668)
Compensated absences	(25,084)	-	(25,084)
Customer deposits	22,411	-	22,411
Net cash provided by operating activities	$ 8,954,281	$ 1,326,028	$ 10,280,309
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital Contributions	$ 899,470	$ 343,727	$ 1,243,197

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas
Statement of Fiduciary Net Position
September 30, 2023

	OPEB Trust Fund
ASSETS	
Investments (fair value)	$ 42,638
Total current assets	42,638
NET POSITION	
Restricted for other post-employment benefits	42,638
TOTAL NET POSITION	$ 42,638

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Changes in Fiduciary Net Position
Year Ended September 30, 2023

	OPEB Trust Fund
ADDITIONS	
Employer contributions	$ 154,008
Investment income	(6,281)
Total additions	147,727
DEDUCTIONS	
Benefit payments	154,008
Total deductions	154,008
CHANGE IN NET POSITION	(6,281)
NET POSITION, beginning of year	48,919
NET POSITION, end of year	$ 42,638

The Notes to the Financial Statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

The City of Bedford, Texas (City) Home Rule Charter was adopted September 24, 1966. The City operates under a Council/Manager form of government and provides the following services by its charter: public safety, public works, health, culture, recreation, community development, water and sewer utilities.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, the disclosure of contingent assets and liabilities, and the reported revenues, expenditures and expenses. Actual results could vary from the estimates that are used.

Significant policies of the City are described below.

A. Financial Reporting Entity

Generally accepted accounting principles require that financial statements present the City (primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The accompanying general purpose financial statements comply with the provisions of the GASB Statement No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34, in that the financial statements include all organizations, activities, functions and component units for which the City is financially accountable or those which would be misleading to exclude. In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on these criteria, the following blended component unit is included in the accompanying financial statements. Blended component units, although legally separate entities are, in substance, part of the City's operations.

The City Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as if it were part of the primary government because its sole purpose is to operate, maintain, and finance the costs of the City's street improvements using taxes collected under Section 4B of the Development Corporation Act of 1979. Separate financial statements are not available.

B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

The primary effect of internal activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation on the government-wide statement of activities.

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The City reports the following major governmental funds:

- General Fund – is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- Debt Service Fund – is used to account for the accumulation of resources for the payment of general long-term obligations principal, interest and related costs.
- Economic Development 4B Fund – is used to account for revenues and expenses associated with the operation, maintenance and financing of the costs of the City's street improvements. The fund's primary revenue source is sales taxes, and a small amount of interest.
- Capital Projects Fund – is used to account for construction projects funded from major resources such as general obligation bonds, certificates of obligation, short-term obligations and operating funds for governmental purposes.

All proprietary funds account for operations that are primarily financed by user charges.

The City reports the following proprietary funds:

- Water and Sewer Fund – accounts for providing water and sewer services to residential and commercial users in the City.
- Stormwater Utility Fund – accounts for the storm drainage runoff service provided to the residential and commercial users of the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under financed purchases, leases or subscription based information technology arrangements are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, charges for services (except for sanitation services), fines and forfeitures, rents, and concessions are recorded as revenues when received in cash because they are generally not measurable until actually received. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be all unrestricted cash and certificates of deposit with an original maturity date of three months or less.

E. Investments

Investments in debt securities and money market mutual funds are carried at fair value. Fair value is determined using quoted market prices. Investments in nonnegotiable certificates of deposit are carried at cost.

Investments in external investment pools are carried at net asset value or amortized cost, as determined by each pool's individual investment valuation method and whether there is a readily determinable fair value of the pool as of the City's fiscal year end. In instances where pools transact at amortized cost, no readily determinable fair value is deemed available.

F. Receivables

Accounts receivable consist primarily of amounts due from citizens for various services provided by the City as well as property taxes and sales taxes receivable. Management evaluates the adequacy of the allowance for doubtful accounts based on a review of individual accounts. The primary factors considered in determining the amount of the allowance are collection history, the aging of the accounts and other specific information known to management that may affect collectability.

G. Inventories

Inventories in the general and proprietary fund types are carried at cost (first-in, first-out method). The City uses the consumption method for determining cost; inventories are recognized as expenditures when consumed.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure such as roads, bridges, drainage systems and lighting systems, are reported at historical cost. Contributed assets are recorded at their acquisition value as of the date received. Depreciation is recorded on each class of depreciable property utilizing the straight-line method over the estimated useful lives of the assets. Estimated useful lives of major categories of property are:

Buildings	20 – 40 years
Infrastructure	20 – 30 years
Water and sewer system	50 years
Improvements	10 – 20 years
Machinery and equipment	3 – 10 years

The minimum capitalization threshold is any item with a total cost greater than $5,000 and a useful life greater than one-year.

Right-to-use lease assets and subscription based information technology arrangement (SBITA) assets are amortized over the duration of the lease/arrangement using the straight-line method.

I. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick, holiday, and comp time benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service from the City.

Vested or accumulated vacation, holiday, or comp time leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay only if the compensated absences have matured with unused reimbursable leave outstanding following an employee's resignation or retirement. Vested or accumulated vacation leave within proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of such liabilities. For governmental activities, compensated absences are generally liquidated by the general fund.

J. Long-Term Debt

General Obligation bonds issued for general government capital projects that are to be repaid from tax revenues of the City are recorded in the government-wide statement of net position. Tax anticipation notes have been issued to fund permanent public improvements related to public safety communications and network infrastructure. Such notes are to be repaid from tax revenues of the City and are recorded in the government-wide statement of net position. Revenue bonds issued for proprietary fund assets that are to be repaid by the proprietary fund are recorded in the proprietary funds.

Revenue bonds have been issued to fund capital projects of proprietary funds. Such bonds are to be repaid from the net revenues of the applicable proprietary fund.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method in the government-wide financial statements. Issuance costs are recognized as an expense in the period incurred. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as, issuance costs, in the current period. The face amount of the debt issued is reflected as other financing sources. Premiums are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

K. Leases

Effective October 1, 2021, the City implemented GASB Statement No. 87, *Leases*, which required the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

Lessee –

The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary funds financial statements.

At implementation of GASB Statement No. 87, the City initially measured the lease liabilities at the present value of payments expected to be made during the remaining lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease right-to-use asset was initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease right-to use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a re-measurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Lessor—

The City recognizes a lease receivable and deferred inflow of resources in the government-wide, and governmental funds financial statements.

At implementation of GASB Statement No. 87, the City measured the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a re-measurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

L. Subscription-Based Information Technology Arrangements (SBITAs)

The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of an SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

M. Defined Benefit Pension Plans

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due.

Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's total pension liability is obtained from TMRS through a report prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of the liability. For governmental activities, net pension liabilities are generally liquidated by the general fund.

N. Other Post-Employment Benefits (OPEB)

The fiduciary net position of the retiree health plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account. Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of the liability. For governmental activities, net OPEB liabilities are generally liquidated by the general fund. The specific activities reported in the fiduciary statements are the contributions to and the benefit payments from the retiree health plan, and earnings on those and previously existing investments for the fiscal year ended December 31, 2022.

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources.

This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- *Deferred charges on refunding* – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- *Employer Contributions* – Pensions and OPEB – These contributions are those made after the measurement date through the fiscal year end (January 1st – September 30th) resulting in a cash outlay not yet recognized under GASB 68 and 75. This amount is deferred and recognized in the following fiscal year.

- *Experience difference* – Pensions and OPEB – These amounts represent the difference in expected and actual pension and OPEB experience. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.
- *Assumption changes* – Pensions and OPEB – These amounts represent the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category.

- *Experience difference* – Pensions and OPEB – These amounts represent the difference in expected and actual pension and OPEB experience. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.
- *Investment difference* – Pensions and OPEB – These amounts represent the difference in projected and actual earnings on pension and OPEB plan assets. These differences are deferred and amortized over a closed five-year period.
- *Assumption changes* – Pensions and OPEB – These amounts represent the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.
- *Unavailable revenues* – These amounts represent uncollected property taxes, uncollected ambulance revenue and property assessments. These amounts are deferred in the fund's financial statements and recognized once payments are received in the following fiscal year(s).
- *Deferred inflows related to leases* – These amounts represent future collections of lease receivables, and are deferred in both the fund and government wide financial statements. These amounts are recognized as the lease payments are received over the lives of the leases.

Fund allocation of pension related balances is determined by individual employee assignment and is modeled by allocation of the net pension liability. This assignment is uniform with regard to liquidation of the net pension liability.

P. Interfund Transactions

During the course of normal City operations, transactions occur between funds, including transfers of resources to provide services, construct assets and service debt. There is no interest charged between funds for these advances. Interfund transactions are eliminated upon consolidation in the government-wide financial statements unless the transaction is deemed to be at market or near market value and is reported as revenue, expenditure or expense.

Q. Net Position

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, donors, grantors or laws or regulations of other governments.

The net position of the Tourism Development Fund and the Economic Development 4B Fund are restricted by enabling legislation as indicated on the statement of net position. The City's policy is to use restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

R. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable* – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Balances include items not expected to be converted to cash including inventories and prepaid items.
- *Restricted* – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council, the City's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- *Assigned* – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council.
- *Unassigned* – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds.

S. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows of resources, deferred inflows of resources and contingent assets and liabilities as of the balance sheet date and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

T. New Accounting Pronouncements

The GASB pronouncements effective in fiscal year 2023 and beyond are listed as follows:

GASB Statement No. 91, Conduit Debt Obligations, provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosures. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2020; however, issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance (GASB 95), extended the effective date of GASB 91 to reporting periods beginning after December 15, 2021, with earlier application encouraged. The City has implemented this Statement in fiscal year 2023. The requirements of this Statement have no impact on the City's financial statements.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by addressing these relationships and availability payment arrangements. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The City has implemented this Statement in fiscal year 2023. The requirements of this Statement have no impact on the City's financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA*), provides guidance on the accounting and financial reporting of contractual arrangements. It defines SBITA; establishes that a SBITA results in a right-to-use subscription asset; provides capitalization criteria; and requires note disclosures. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The City has implemented this Statement in fiscal year 2023.

GASB Statement No. 99, *Omnibus 2022*, enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement related to extension of use of London Interbank Offered Rate (LIBOR), accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement No. 34, as amended and terminology updates related to Statements No. 53 and 63 are effective immediately and implemented in the prior fiscal year. All other requirements of this Statement have been implemented in fiscal year 2023.

GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, enhances the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The City is currently evaluating the impact of this Statement.

GASB Statement No. 101, *Compensated Absences*, will better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The City is currently evaluating the impact of this Statement.

U. Subsequent Events

The City's management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended September 30, 2023, through March 22, 2024, the date the financial statements were issued. Management is not aware of any subsequent events that would require recognition or disclosure in the accompanying financial statements.

Note 2. Deposits and Investments

The deposit and investment policies of the City are governed by State Statutes and the adopted City Investment Policy. City policies governing bank deposits require depositories to be insured by the Federal Deposit Insurance Corporation (FDIC). Financial institutions, and depositories must fully collateralize all deposits in excess of FDIC insurance limits.

Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agency securities, repurchase agreements and municipal pools. The City utilizes a pooled investment concept for all its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

Investments measured at fair value are categorized within the fair value hierarchy. Fair value refers to the price that would be received to sell as asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

The hierarchy provides a framework for measuring fair value based on three levels. The three level fair value hierarchy describes the inputs that are used to measure assets and liabilities.

Level 1	Quoted prices in active markets for identical assets or liabilities;
Level 2	Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and
Level 3	Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The fair value hierarchy gives the highest priority to Level 1 and the lowest priority to level 3 inputs. If a price for an identical asset or liability is not observable a government should measure fair value using another valuation technique that maximizes the use of an asset inputs from more than one level of the fair value hierarchy. The measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The following table presents the weighted average maturity, credit rating, and fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2023:

September 30, 2023	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Weighted Average Maturity (Days)	Standard & Poor's Credit Rating
Investments by fair value level						
Money market mutual funds	$ 9,588,705	$ 9,588,705	$ -	$ -	1 day	AAAm
Total investments by fair value level	9,588,705	$ 9,588,705	$ -	$ -		
Investments measured at net asset value						
TexSTAR	3,015,861	-	-	-	30 days	AAAm
Texas CLASS	29,872,103	-	-	-	50 days	AAAm
Non-negotiable certificate of deposit	41,032,444	41,032,444	-	-	418 days	N/A
Total investments by net asset value level	73,920,408	41,032,444	-	-		
Investments by fair value level:						
Federal Farm Credit Bonds	4,970,545	-	4,970,545	-	N/A	AA+
Federal Home Loan Bank Bonds	6,384,278	-	6,384,278	-	N/A	AA+
Freddie Mac	4,573,733	-	4,573,733	-	N/A	AA+
U.S. Treasury Note	5,784,668	-	5,784,668	-	N/A	AA+
Farmer Mac	993,066	-	993,066	-	N/A	AA+
	22,706,290	-	22,706,290	-		
Total	$ 106,215,403	$ 50,621,149	$ 22,706,290	$ -		

Investment Pools and non-negotiable Certificates of Deposit are measured at net asset value (NAV) and are exempt from fair value reporting and therefore have been excluded from the hierarchy.

Money market mutual funds classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets for identical assets or liabilities.

The TexStar and Texas CLASS are external investment pools measured at NAV. These investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The City has no unfunded commitments related to the investment pools. Each of these investment pools has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pool's liquidity. These investment pools are authorized by the Texas Legislature. The Texas Treasury Safekeeping Trust Company is the trustee and is a limited purpose trust company authorized pursuant to Texas Government Code.

U.S Government Agency Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

U.S. Treasury Notes classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk — In accordance with its investment policy, the City manages its exposure to declines in fair market values by investing operating funds primarily in short-term securities, money market mutual funds or similar investment pools. Furthermore, unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three years from the date of purchase.

Credit Risk — It is the City's policy to follow statutes, which authorize the City to invest in obligations of the U. S. Treasury agencies and instrumentalities, obligations of the state of Texas and related agencies, obligations of states, agencies, counties, cities and other political subdivisions of any state rated "A" or above by Standard & Poor's Corporation or Moody's, repurchase agreements and designated investment pools. The City's assets in investment pools meet this requirement as noted above.

Custodial Credit Risk — Investments — In accordance with its investment policy, the City minimizes custodial credit risk by limiting investments to the safest types of investment vehicles, prequalifying the financial institutions, brokers/dealers, intermediaries and advisors with which the City will do business and diversifying the investment portfolio so that potential losses on individual investments will be minimized. Currently, all investments are registered in the City's name.

Custodial Credit Risk — Deposits — The City's deposits do not have any exposure to credit risk because all deposits in financial institutions are fully collateralized by U.S. government obligations or obligations of the state of Texas and its agencies that have a value of not less than the principal amount of the deposits. The collateral is held by a third-party custodial bank as the City's agent.

Concentration of Credit Risk — The City limits investments to avoid concentration in securities from a specific issuer or business sector (where appropriate). As noted above, the City's investments are distributed into a variety of allowable investment vehicles. Management does not believe there is a significant risk of loss due to the credit rating and nature of the investments.

Following is a reconciliation of the City's deposit and investment balances at September 30, 2023 to the government-wide statement of net position:

	Balance at September 30, 2023
Investments	$ 106,215,403
Deposits and cash on hand	3,772,846
	$ 109,988,249

	Government-wide Statement of Net Position
Cash and cash equivalents	$ 36,585,608
Investments	49,622,773
Restricted Investments with Trustee	23,779,868
	$ 109,988,249

Note 3. Receivables and Governmental Funds Deferred Inflows

Receivables, including amounts due from other governments, as of September 30, 2023, for the City's individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds					Proprietary Funds		
	General	Debt Service	Economic Development	Capital Projects	Nonmajor Governmental	Water and Sewer	Stormwater Utility	Total
Receivables								
Taxes								
Delinquent property taxes	$ 247,893	$ 97,781	$ -	$ -	$ -	$ -	$ -	$ 345,674
Sales taxes	2,152,621	-	717,540	-	-	-	-	2,870,161
Franchise	706,930	-	-	-	18,909	-	-	725,839
Other	77,417	-	-	-	-	-	-	77,417
Leases	461,416	-	-	-	-	-	-	461,416
Accounts	823,791	-	-	-	518,934	4,234,368	244,339	5,821,432
Other	1,588,931	-	-	3,370	239,224	6	-	1,831,531
Gross receivables	6,058,999	97,781	717,540	3,370	777,067	4,234,374	244,339	12,133,470
Less allowance for uncollectibles	(41,365)	(17,637)	-	-	-	(264,447)	-	(323,449)
Net total receivables	$ 6,017,634	$ 80,144	$ 717,540	$ 3,370	$ 777,067	$ 3,969,927	$ 244,339	$ 11,810,021

Governmental funds report deferred inflows in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period.

At the end of the year, the various components of deferred inflows reported in the governmental funds were as follows:

Deferred Inflows	Unavailable Revenue	Other Deferred Inflows
Delinquent property taxes receivable (General Fund)	$ 237,549	$ -
Delinquent property taxes receivable (Debt Service Fund)	95,983	-
Delinquent ambulance receivable (General Fund)	309,691	-
Assessments (Nonmajor Governmental)	239,224	-
Special events	1,350	
Lease receivable (General Fund)	-	461,416
Total deferred inflows for governmental funds	$ 883,797	$ 461,416

The City is a lessor for non-cancelable leases of the right-to-use of land, buildings, and infrastructure for which the City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. The interest rates for the leases range from 0.81% and 5.03% annually, and the terms are typically 4-7 years. The lease receivables that exist at September 30, 2023 relate to leases whose terms expire between 2024 and 2027.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. The City has $461,416 remaining in lease receivables and $461,416 remaining in deferred inflow as of September 30, 2023. The City recorded lease revenue including interest of $257,808 in the fiscal year.

As of September 30, 2023, the expected lease receipts through the expiration of all leases for which the City is a lessor is as follows:

September 30,	Principal	Interest	Total
2024	$ 224,413	$ 6,353	$ 230,766
2025	126,506	3,221	129,727
2026	84,456	1,474	85,930
2027	26,041	194	26,235
	$ 461,416	$ 11,242	$ 472,658

Note 4. Property Tax

Property taxes attach as an enforceable lien on property as of January 1. The City's property tax is levied each October 1, on the assessed value listed as of the prior January 1, for all real property and personal business property located in the City. The assessed value upon which the fiscal year 2023 levy was based was $5,655,677,955. The appraisal function is performed by the Tarrant County Appraisal District.

General property taxes are limited by the Texas Constitution to $2.50 per $100 of assessed valuation and by Home Rule Charter to $1.50 per $100 of assessed valuation for general governmental services and payment of principal and interest on long-term debt. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2023, was $0.4957260 per $100 of assessed valuation.

Taxes are due by January 31 following the levy date. Current tax collection for the year ended September 30, 2023, was 99.47% of the tax levy.

Uncollected property taxes levied for the current fiscal year are recognized as receivables and are deemed collectible in full.

Note 5. Interfund Transfers

Interfund transfers are payments between funds that are designed to cover various operating and overhead expenses and to allocate charges for services performed by one fund on behalf of another fund.

Individual fund transfers for the year ended September 30, 2023, were:

	Transfer In			
	General	Nonmajor Governmental	Water and Sewer	Total
Transfers out				
General Fund	$ -	$ 120,330	$ -	$ 120,330
Economic Development 4B	286,010	-	-	286,010
Nonmajor Governmental	189,073	-	-	189,073
Water and Sewer	2,840,910	-	-	2,840,910
Stormwater Utility	316,890	-	74,435	391,325
Total transfers out	$ 3,632,883	$ 120,330	$ 74,435	$ 3,827,648

Interfund transfers are used for multiple purposes. Transfers to the General Fund are primarily used to move funds to finance various programs in accordance with budgetary authorizations. For the Economic Development 4B, they provide funding for the future street improvements. For the non-major funds/maintenance accounts, they provide funding for future capital needs and equipment replacements on a cash basis as needed.

Note 6. Interfund Assets/Liabilities

Interfund balances reflect payments made by one fund on behalf of another fund for which cash settlement has not been made as of the end of the accounting period. Amounts due to and from other funds will be settled within the next accounting period. As of September 30, 2023, interfund balances outstanding was between the General Fund and a Nonmajor Governmental Fund as follows:

	Due From	
	Nonmajor Governmental	Total
Due To		
General Fund	$ 114,165	$ 114,165
Total	$ 114,165	$ 114,165

The due to the General Fund from the Various Grants Fund is the result of the General Fund funding purchases prior to the receipt of grant funding.

Note 7. Capital Assets

The following tables summarize changes in capital assets during the year ended September 30, 2023:

	Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
Governmental Activities					
Capital assets, not being depreciated/amortized					
Land	$ 20,061,816	$ -	$ -	$ -	$ 20,061,816
Construction in progress	61,008,845	11,153,190	-	(1,910,370)	70,251,665
Total assets not being depreciated/amortized	81,070,661	11,153,190	-	(1,910,370)	90,313,481
Capital assets, being depreciated/amortized					
Buildings and improvements	25,381,352	369,264	(620,740)	237,812	25,367,688
Equipment	33,135,625	448,732	(15,306,515)	-	18,277,842
Right to use lease equipment	5,359,567	39,934	(114,063)	-	5,285,438
Right to use subscription asset	-	1,485,981	-	-	1,485,981
Improvements other than buildings	126,400,315	844,584	(178,485)	1,672,558	128,738,972
Total capital assets being depreciated/amortized	190,276,859	3,188,495	(16,219,803)	1,910,370	179,155,921
Less accumulated depreciation/amortization					
Buildings and improvements	(16,591,479)	(935,175)	620,740	-	(16,905,914)
Equipment	(30,637,095)	(864,426)	15,232,919	-	(16,268,602)
Right to use lease equipment	(2,630,894)	(994,878)	78,828	-	(3,546,944)
Right to use subscription asset	-	(396,411)	-	-	(396,411)
Improvements other than buildings	(117,150,688)	(1,006,710)	135,237	-	(118,022,161)
Total accumulated depreciation/amortization	(167,010,156)	(4,197,600)	16,067,724	-	(155,140,032)
Total capital assets being depreciated/amortized, net	23,266,703	(1,009,105)	(152,079)	1,910,370	24,015,889
Governmental activities capital assets, net	$ 104,337,364	$ 10,144,085	$ (152,079)	$ -	$ 114,329,370
Business-type Activities					
Capital assets, not being depreciated/amortized					
Land	$ 100,255	$ -	$ -	$ -	$ 100,255
Construction in progress	7,910,654	1,819,055	-	(7,328,220)	2,401,489
Total assets not being depreciated/amortized	8,010,909	1,819,055	-	(7,328,220)	2,501,744
Capital assets, being depreciated/amortized					
Buildings and improvements	903,239	-	-	-	903,239
Equipment	4,169,011	17,298	(311,292)	-	3,875,017
Right to use lease equipment	118,208	-	-	-	118,208
Right to use subscription asset	-	420,608			420,608
Utility distributions	102,971,872	1,243,197	-	7,328,220	111,543,289
Total capital assets being depreciated/amortized	108,162,330	1,681,103	(311,292)	7,328,220	116,860,361
Less accumulated depreciation/amortization					
Buildings and improvements	(584,882)	(11,860)	-	-	(596,742)
Equipment	(3,855,326)	(109,417)	311,292	-	(3,653,451)
Right to use lease equipment	(28,028)	(22,670)	-	-	(50,698)
Right to use subscription asset	-	(53,312)	-	-	(53,312)
Utility distributions	(46,240,721)	(2,292,868)	-	-	(48,533,589)
Total accumulated depreciation/amortization	(50,708,957)	(2,490,127)	311,292	-	(52,887,792)
Total capital assets being depreciated/amortized, net	57,453,373	(809,024)	-	7,328,220	63,972,569
Business-type activities capital assets, net	$ 65,464,282	$ 1,010,031	$ -	$ -	$ 66,474,313

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General government	$ 669,637
Community services	92,601
Public works	1,486,984
Public safety	1,016,162
Leisure services	883,828
Administrative services	48,388
Total depreciation/amortization expense – governmental activities	$ 4,197,600
Business-type Activities	
Water and sewer	$ 2,135,535
Stormwater collection and disposal	354,592
Total depreciation/amortization expense – business-type activities	$ 2,490,127

Note 8. Long-term Liabilities

The following is a summary of the long-term liabilities of the City for the year ended September 30, 2023:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One-Year
Governmental Activities					
General Bonds/Certificates/Tax notes	$ 72,840,000	$ 19,430,000	$ (4,875,000)	$ 87,395,000	$ 5,560,000
Premium on debt	2,723,443	936,371	(267,594)	3,392,220	267,594
Lease liabilities payable	2,654,682	39,934	(1,180,851)	1,513,765	837,095
Subscription liabilities	-	1,220,621	(370,464)	850,157	328,230
Compensated absences	3,990,701	2,188,137	(1,940,624)	4,238,214	1,335,105
Net pension liability	25,443,502	5,684,871	-	31,128,373	-
Other post-employment benefits	1,575,801	-	(422,215)	1,153,586	-
Governmental activities long-term liabilities	$ 109,228,129	$ 29,499,934	$ (9,056,748)	$ 129,671,315	$ 8,328,024
Business-type Activities					
General Bonds and Certificates of Obligation	$ 58,900,000	$ 1,370,000	$ (2,690,000)	$ 57,580,000	$ 2,810,000
Premiums on debt	446,566	66,019	(58,158)	454,427	58,157
Lease liabilities payable	91,347	-	(22,542)	68,805	23,014
Subscription liabilities	-	410,661	(173,842)	236,819	91,466
Compensated absences	161,324	179,567	(204,651)	136,240	72,179
Net pension liability	2,239,560	277,995	-	2,517,555	-
Other post-employment benefits	3,158	7,211	-	10,369	-
Business-type activities long-term liabilities	$ 61,841,955	$ 2,311,453	$ (3,149,193)	$ 61,004,215	$ 3,054,816

Governmental long-term debt consists of the following individual issues at September 30, 2023:

Series	Original Issue	Interest Rate	Debt Outstanding
General Obligation Bonds			
Series 2013 General Obligation Refunding and Improvement Bonds	$ 5,375,000	2.0% – 4.0%	$ 1,245,000
Series 2014 General Obligation Bonds	3,200,000	2.0% – 4.0%	2,075,000
Series 2018 General Obligation Bonds	57,540,000	3.125% - 5.0%	47,760,000
Series 2019 General Obligation Bonds, Taxable	5,490,000	2.35% - 3.0%	4,465,000
Series 2019 General Obligation Refunding and Improvement Bonds	7,490,000	2.0% - 3.0%	5,775,000
Series 2020 General Obligation Refunding Bonds	1,275,000	1.27%	700,000
Series 2021A General Obligation Bonds	2,165,000	1.03%	1,745,000
Certificates of Obligation			
Series 2021 General Tax and Revenue Certificates of Obligation	4,150,000	1.03%	3,350,000
Series 2023 General Tax and Revenue Certificates of Obligation	3,110,000	4.0% - 5.0%	3,110,000
Series 2023A General Tax and Revenue Certificates of Obligation	16,320,000	4.0% - 5.0%	16,320,000
Contractual Obligations			
Series 2014 Public Property Finance Contractual Obligations	2,300,000	1.0% – 2.5%	255,000
Tax Notes			
Series 2019 Tax Notes	2,750,000	3.0% - 5.0%	595,000
Total General Obligation, Certificates of Obligation Contractual Bonds, and Tax Notes			$ 87,395,000

Business-type long-term debt consists of the following individual issues at September 30, 2023:

Series	Original Issue	Interest Rate	Debt Outstanding
General Obligation Bonds			
Series 2018 General Obligation Refunding and Improvement Bonds	$ 6,380,000	3.125% - 5.0%	$ 4,535,000
Series 2019 General Obligation Refunding and Improvement Bonds	1,325,000	2.0% - 3.0%	900,000
Series 2020 General Obligation Refunding Bonds	4,375,000	1.27%	3,335,000
Certificates of Obligation			
Series 2012 Combination Tax and Revenue Certificates of Obligation	630,000	0.09% – 1.4%	300,000
Series 2012A Combination Tax and Revenue Certificates of Obligation	4,270,000	1.0% – 2.75%	2,210,000
Series 2015 Combination Tax and Revenue Certificates of Obligation	30,000,000	0.22% – 3.210%	24,495,000
Series 2017 Combination Tax and Revenue Certificates of Obligation	20,000,000	0.69% - 3.0%	17,020,000
Series 2019 Combination Tax and Revenue Certificates of Obligation	3,990,000	2.0% - 4.0%	3,415,000
Series 2023 Combination Tax and Revenue Certificates of Obligation	1,370,000	4.0% - 5.0%	1,370,000
Total General Obligation and Certificates of Obligation			$ 57,580,000

The annual debt service requirement to amortize the bonds, certificates of obligation and lease obligations outstanding at September 30, 2023, are as follows:

Governmental Activities:

Year Ending September 30,	Bonded Debt Obligations	Interest	Total
2024	$ 5,560,000	$ 3,083,524	$ 8,643,524
2025	4,725,000	2,944,169	7,669,169
2026	4,915,000	2,751,089	7,666,089
2027	5,120,000	2,548,728	7,668,728
2028	5,330,000	2,335,939	7,665,939
2029-2033	27,105,000	8,711,891	35,816,891
2034-2038	27,320,000	4,030,226	31,350,226
2039-2043	7,320,000	713,991	8,033,991
	$ 87,395,000	$ 27,119,555	$ 114,514,555

Business-type Activities:

Year Ending September 30,	Debt Obligations	Interest	Total
2024	$ 2,810,000	$ 1,611,127	$ 4,421,127
2025	2,905,000	1,540,075	4,445,075
2026	2,965,000	1,471,193	4,436,193
2027	3,070,000	1,396,451	4,466,451
2028	2,665,000	1,325,587	3,990,587
2029-2033	12,935,000	5,616,571	18,551,571
2034-2038	12,110,000	3,921,338	16,031,338
2039-2043	11,450,000	2,104,250	13,554,250
2044-2047	6,670,000	425,598	7,095,598
	$ 57,580,000	$ 19,412,189	$ 76,992,189

The City has entered into multiple lease agreements as lessee. The leases allow the right-to-use of buildings and equipment over the term of the lease. The City is required to make periodic payments at its incremental borrowing rate or the interest rate stated or implied within the leases. Effective October 1, 2021, the City implemented GASB Statement No. 87, *Leases*. At implementation of this statement, the City initially measured the lease liability at the present value of payments expected to be made during the remaining lease term.

The City's lessee arrangements incur interest at rates ranging between 0.26% and 4.21% annually for its governmental activities, and between 0.93% and 2.42% for its business-type activities. All such arrangements range between 5 and 6 years in length.

The annual requirements to amortize leases payable outstanding as of September 30, 2023 are as follows:

Year Ending September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	$ 837,095	$ 64,806	$ 23,014	$ 711
2025	483,060	21,013	20,330	455
2026	171,315	1,619	18,976	228
2027	22,295	34	6,485	37
	$ 1,513,765	$ 87,472	$ 68,805	$ 1,431

Subscription Based Information Technology Arrangements (SBITA)

The City has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The City is required to make annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term and ending subscription liability are as follows:

	Interest Rate(s)	Liability at Commencemnet	SBITA Term in Years	Ending Balance
Governmental activities				
Other leases	0.22% - 5.27%	10/1/2023	3 yrs - 10 yrs	850,157
Total governmental activities				850,157
Business-type activities				
Other leases	0.49% - 4.57%	10/1/2023	3 yrs - 5 yrs	236,819
Total business-type activities				236,819

The future principal and interest SBITA payments as of fiscal year end are as follows:

Fiscal Year Ending	Principal	Interest	Total
2024	328,230	21,968	350,198
2025	321,082	11,190	332,272
2026	141,153	3,056	144,209
2027	59,692	1,850	61,542
Total governmental activities	850,157	38,064	888,221

Fiscal Year Ending	Principal	Interest	Total
2024	91,466	4,926	96,392
2025	89,789	3,223	93,012
2026	50,381	2,236	52,617
2027	5,183	171	5,354
Total business-type activities	236,819	10,556	247,375

The value of the subscription assets as of the end of the current fiscal year was $1,906,589 and had accumulated amortization of $449,723.

Note 9. Retirement Plan

A. Plan Description

The City participates as one of 930 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at *tmrs.com*.

All eligible employees of the City are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5 years
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20
Updated service credit	50%
Annuity increase (to retirees)	0% of CPI

Employees covered by benefit terms.

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	122
Inactive employees entitled to but not yet receiving benefits	267
Active employees	323
Total	712

C. Contributions

Member contribution rates in TMRS are either 5%, 6% or 7% of the Member's total compensation, and the City matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City are required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City were 16.59% and 16.97% in calendar years 2022 and 2023, respectively. The City's contributions to TMRS for the year ended September 30, 2023, were $4,705,772 and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:
The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4- year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. The assumptions were adopted in 2019 and first used in the December 31, 2109, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

Rate of Return:
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	35.0%	7.70%
Core fixed income	6.0%	4.90%
Non-core fixed income	20.0%	8.70%
Other public a private markets	12.0%	8.10%
Real estate	12.0%	5.80%
Hedge funds	5.0%	6.90%
Private equity	10.0%	11.80%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2021	$ 72,889,222	$ 45,206,160	$ 27,683,062
Changes for the year			
Service cost	3,685,983	-	3,685,983
Interest on total pension liability	4,978,198	-	4,978,198
Effect of difference in expected and actual experience	11,924	-	11,924
Change in benefit terms or inputs	-	-	-
Benefit payments	(1,962,276)	(1,962,276)	-
Administrative expenses	-	(28,555)	28,555
Employer contributions	-	4,233,606	(4,233,606)
Net investment income	-	(3,315,962)	3,315,962
Employee contributions	-	1,790,076	(1,790,076)
Other	-	34,074	(34,074)
Net changes	6,713,829	750,963	5,962,866
Balances at December 31, 2022	$ 79,603,051	$ 45,957,123	$ 33,645,928

Sensitivity of the net pension liability to changes in the discount rate

The following presents the Net Pension Liability of the City, calculated using the discount rate of 6.75%, as well as what the City's Net Pension Liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Single Rate Assumption (6.75%)	1% Increase (7.75%)
City's net pension liability	$ 45,832,729	$ 33,645,928	$ 23,655,349

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at trms.com.

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2023, the City recognized pension expense of $4,467,283.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 383,426
Difference in assumptions changes	-	10,114
Difference between projected and actual earnings on pension plan investments	3,135,895	-
Contributions subsequent to the measurement date	3,457,198	-
Total	$ 6,593,093	$ 393,540

$3,457,198 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Net Deferred Outflows (Inflows) of Resources
2023	$ 191,469
2024	637,247
2025	742,333
2026	1,170,827
2027	479
Thereafter	-
Total	$ 2,742,355

Note 10. Post-employment Health Care Plan

A. Plan Description and Funding Policy

The City provides post-employment medical care (OPEB) for employees through a single-employer defined benefit medical plan. The plan provides medical benefits for eligible retirees, their spouses and dependents through the City's group health insurance plans, which cover both active and retired members. The benefit levels and contribution rates are approved annually by the City management and the City Council as part of the budget process. Because the plan is administered through an arrangement equivalent to a trust, it is accounted for in accordance with GASB Statement No. 75, and therefore its activities and balances as of December 31, 2022 and for the year then ended are reported in the accompanying fiduciary financial statements.

Starting January 1, 2010, the City began requiring participants who are active employees with less than 20 years of service or 60 years or more of age with less than 5 years of service to contribute an age-based full-cost premium if they choose to remain on the City's health care plan upon retirement. In return, the City will make scheduled annual contributions into a retiree health savings plan in the name of each eligible employee who has 10 years of service or more. Employees are 50% vested at 20 years of service and 100% vested at 30 years of service.

Retiring employees will pay either age-based or blended premiums depending on their status as "grandfathered" or "non-grandfathered." Blended premiums blend the cost of providing health coverage to both active employees and retirees, and will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

B. Grandfathered Employees and Non-Grandfathered Employees

As of January 1, 2010, employees that have 20 years of continuous service with the City or employees having 5 years of continuous service and have reached the age of 60 will be eligible to purchase City health benefits at blended rates upon the date of their retirement if they are less than age 65. Employees who meet the requirements to stay on the plan will continue to pay both employee and employer required contributions for the retiree health plan chosen for themselves and eligible dependents. Employer and employee required contributions are determined annually by plan as part of the City's annual budget. If the spouse or eligible dependents are on the plan at the time of the employee's retirement, they can remain on the plan, until which time they are no longer eligible.

Employees who do not meet the eligibility requirements to stay on the plan will pay age-based premiums for the retiree health plan chosen for themselves and eligible dependents. These employees will participate in the City's retiree health savings plan.

C. Benefits Provided

The City provides post-employment medical and dental care benefits to its retirees. Retirees who elect COBRA cannot later elect retiree coverage. To be eligible for coverage an employee must qualify under all three of the following:

- The retiree must have been covered for medical benefits under the City health plan as an employee immediately prior to termination of employment.
- Apply for pension benefits from TMRS in accordance with their requirements and deadlines, but in no event later than 90 days from termination of employment.
- Enroll for retiree health coverage within 30 days of the date of termination. Annual Funding Policy

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees currently receiving benefits	35
Inactive employees entitled to but not yet receiving benefits	-
Active employees	9
Total	44

D. Policy Information

Retiree Health Plan Benefit Eligibility
To be eligible for retiree health benefits, employees must meet the following criteria:

- Any employee who is covered under the City's health plan at the effective date of (the employee's) retirement, who is less than age 65, and who meets the "retiree" definition (as described below) may elect to continue health insurance coverage under the plan.
- Employees who are eligible and elect to stay on the plan will be required to begin paying monthly premiums immediately upon retirement.
- Employees eligible for retiree health insurance may also continue coverage for any dependents following the employee's retirement, provided the dependents were covered under the employee's health insurance as of the effective date of the employee's retirement and the appropriate enrollment forms are completed within 30 days of retirement. Anyone electing this coverage must meet all of the eligibility rules of the plan.

NOTE: When a covered retiree's spouse is employed at the time the City of Bedford employee retires, an exception to this policy may be made. The spouse may elect coverage under the City's health plan if the spouse's employment ends or the spouse's employer discontinues coverage.

- Dependents who are covered under the retiree's health insurance at the time of the retiree's death may continue coverage as follows: (a) the spouse may continue coverage following the death of the retiree until such time as the spouse remarries, dies or reaches age 65 (b) any other eligible dependent(s), as defined by the City's self-funded plan, may continue to be covered under retiree health insurance as long as all eligibility requirements of the City's plan are met.

Retiree Health Plan Benefit Coverage

Retirees are able to maintain retiree coverage through the City until they reach age 65 (see section below). Retirees cannot drop the City's plan and re-elect retiree benefits at a later date unless they become re-employed by the City. If this is the case, they must re-enroll into the City's retiree insurance program within 30 days of the termination from the City's re-employment.

- Retirees are able to choose from and elect the same plans offered to active employees during open enrollment each year until they reach age 65.
- Retirees who decide to elect the City's retiree health benefits will pay either age based on blended premiums depending on their status as "grandfathered" or "non-grandfathered."
- Blended premiums blend the cost of providing health coverage to both active employees and retirees, will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

Retirees Age 65 or Older

Effective January 1, 2010, retirees who are Medicare eligible or age 65 or older will have access to a more cost effective and comparable Medicare Supplement or Medicare Advantage Plan and will no longer have access to the City's health plan. Retirees will continue to have access to the City's dental plan.

- Retirees who choose to obtain coverage elsewhere may later elect one of the City's Medicare Supplement or Medicare Advantage plans when they become eligible for Medicare.
- Retirees' dependents who are under 65 years of age will be able to maintain coverage through the City's health plan. Once a dependent reaches age 65, the dependent will no longer be able to access the City's health plan, but will be able to select either the Medicare Supplement or Medicare Advantage Plan which is less expensive than the current retiree premiums and is comparable to or offers a richer benefit than the City's health plan.
- If the employee is 65 years of age or older, but is not Medicare eligible, the City will evaluate the cost of Medicare Part A premiums each year and determine whether the City will reimburse the employee for the purchase of Medicare Part A (on behalf of the retiree or whether to allow the retiree to pay the premium to stay on the City's health plan). Retirees in this situation will be notified of this determination at the end of each year for the following plan year.

E. Applicability

This policy applies to all regular full-time employees.

F. Definitions

Retiree — is defined as an employee who has effected retirement with the City and is eligible to retire according to the City's pension plan guidelines.

G. Policy Authority

The City Council authorizes this policy. The City's management team and Human Resources are responsible for interpreting and enforcing this policy.

H. Implementation Procedures

Employees eligible for retiree health insurance will be given written notification from Human Resources explaining their eligibility to elect retiree health insurance, the applicable premium rates for the type of coverage(s) they are eligible to continue and the procedures the employee must follow in order to elect retiree health insurance. They will also be given an election form on which to make their health insurance elections.

Employees eligible for retiree health insurance must complete the retiree health insurance election foul' and remit the appropriate premium payment as outlined in the retiree medical information packet within 30 days following the effective date of the employee's retirement; otherwise, the retiree will automatically forfeit his/her right to continue health insurance under this policy, except as provided by federal law.

Retirees who are not age 65 and who are eligible for and elect retiree coverage through the City will receive notification from the City's Human Resources Department of the discontinuation of their retiree coverage along with enrollment information for the Medicare Supplement and Medicare Advantage plans upon turning age 65.

Termination of Retiree Health Plan Coverage

Retiree health insurance will automatically terminate for the retiree and/or covered dependents upon the earliest of the following occurrences:

- The City ceases to provide group health insurance.
- Retiree/retiree's dependent(s) fail to remit the monthly premium payment to the City's Human Resources Department by the last day of each month.
- The retiree returns to active employment status with the City and becomes covered under a City sponsored health plan.
- Dependent(s) of the retiree cease to meet the eligibility requirements of the City's medical plan.

I. Net OPEB Liability

Valuation of Assets
For purposes of calculating the Total OPEB Liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.

Actuarial Assumptions
The OPEB Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate	4.05%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2022, actuarial valuation, the Individual Entry-Age Normal Actuarial Cost method was used. The actuarial assumptions included a 5.5% investment rate of return (net of administrative expenses) and an annual health care cost trend rate of 7.0% initially, reduced by decrements to an ultimate rate of 4.15% after a number of years. Both rates include a 2.50% inflation assumption. The actuarial value of the plan's assets was set equal to the reported market value of assets. The assets are allocated among the divisions based on liabilities valued at 4.5%. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis.

Discount Rate
Because the Retiree Healthcare Plan is considered an unfunded trust under GASB Statement No. 75, the relevant discount rate for calculating the Total OPEB Liability is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

Changes in the OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2021	$ 1,627,878	$ 48,919	$ 1,578,959
Changes for the year:			
Service cost	13,294	-	13,294
Interest	28,658	-	28,658
Effect of plan changes	-	-	-
Effect of economic/demographic	-	-	-
gains or losses	-	-	-
Effect of difference in expected	-	-	-
and actual experience	5,813	-	5,813
Changes of assumptions	(315,042)	-	(315,042)
Employer contributions	-	154,008	(154,008)
Net investment income	-	(6,281)	6,281
Benefit payments	(154,008)	(154,008)	-
Administrative expense	-	-	-
Net changes	(421,285)	(6,281)	(415,004)
Balance at December 31, 2022	$ 1,206,593	$ 42,638	$ 1,163,955

Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the OPEB liability of the City, calculated using the discount rate of 4.05%, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (3.05%) or one-percentage-higher (5.05%) than the current rate:

	1% Decrease (3.05%)	Current Discount Rate (4.05%)	1% Increase (5.05%)
Total OPEB liability	$ 1,290,984	$ 1,163,955	$ 1,057,055

Sensitivity of the OPEB Liability to Healthcare Cost Trends

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	$ 1,044,416	$ 1,163,955	$ 1,304,805

J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended September 30, 2023, the City recognized OPEB benefit of ($268,429).

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience, liability	$ -	$ -
Net difference between projected and actual earnings on investments	5,414	-
Contributions made subsequent to measurement date	48,256	-
Total	$ 53,670	$ -

$48,256 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the measurement year ending December 31, 2023 (i.e. recognized in fiscal year ending September 30, 2024). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Years Ending December 30,	Net Deferred Outfows (Inflows) of Resources
2023	731
2024	1,286
2025	1,601
2026	1,796
2027	-
Thereafter	-
Total	$ 5,414

Note 11. Tax Abatements and Economic Incentive Agreements

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of Bedford. This program rebates property and sales and use taxes and is authorized under Chapter 380 of the Texas Local Government Code. The various agreements are detailed below that rebate a percentage of property and/or sales and use taxes.

Agreements for rebate of property taxes generally call for rebates of taxes on incremental values for usually up to 10 years. The agreements for sales and use taxes provides for a rebate of 50% to 100% of the City 2% taxes on incremental values for usually up to 10 years, with the maximum being 12 years. For fiscal year 2023, the City rebated property taxes of $59,266, or 0.2% of the total levy of $25.7 million. Sales and use taxes rebated totaled $139,988 or 1.2% of the General Fund collections of $12.0 million.

A. Retail Development Agreements

In order to promote economic development and diversity, increase employment, reduce unemployment and underemployment, expand commerce, and stimulate business and commercial activity in the State of Texas, Tarrant County, and the City of Bedford, Texas, the City, agreed to pay sales tax grants to certain developers. These grants require the construction or improvement of a minimum square feet of retail space and obtaining certificates of occupancy for certain major retailers within a specified time period, all of which have been met during the 2023 fiscal year.

An agreement was executed in December 2014 with Texas Harley-Davidson. The agreement includes a rebate of 80% (years 1-3), 60% (years 4-7) and 40% (years 8-10) of the City's sales tax of 1% and 80% (years 1-3), 60% (years 4-7), and 40% (years 8-10) of the City's incremental property tax for a period of ten years. The City recorded a liability of $27,961 incurred in the current year (8) of the agreement. The City paid $53,511 during the program year (7) of the agreement.

An agreement was executed in January 2016 with Movie Tavern. The agreement includes a rebate of 75% of the City's sales tax of 2% over base year revenue for a period of ten years. The City recorded a liability of $25,444 incurred in the current year of the agreement.

An agreement was executed in December 2016 with Chipotle. The agreement includes a rebate of 25% of the City's sales tax of 2% for a period of twelve years. The City recorded a liability of $10,992 incurred in the current year of the agreement. The City paid $12,866 during the current year of the agreement.

An agreement was executed in May 2017 with American Motorcycle. The agreement includes a rebate of 100% of the City's incremental property tax for a period of ten years. The City recorded a liability of $9,224 incurred in the current year the agreement. The City paid $20,156 during the current year of the agreement.

An agreement was executed in November 2020 with Northern Tool. The agreement includes a rebate of an annual program grant of $20,000 for a period of five years based on exceeding sales target. The City recorded a liability of $20,000 incurred in both the current and two previous years of the agreement, totaling $60,000.

An agreement was executed in July 2022 with Rock Island Auction Company. The agreement includes a rebate of 10% of the City's sales tax of 1% for a period of five years, 75% of the City's incremental property tax over base year taxes for a period of ten years, a rebate of the City's incremental tangible personal property tax for a period of ten years, a one-time façade improvement grant for a portion of the cost of improvements made by the company, in an amount not to exceed $100,000, and waivers of permit fees attributable to the façade and site improvement costs. The City has recorded a liability of $100,000 incurred in the current year of the agreement.

An agreement was executed in February 2023 with CenterPoint Properties. The agreement includes a one-time public infrastructure improvement grant, equivalent to the costs actually incurred by CenterPoint Properties to complete median removal work on Reliance Parkway, but not to exceed $120,000. The City recorded a liability of $120,000 incurred in the current year of the agreement.

Note 12. Commitments and Contingencies

A. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City participates in the Texas Municipal League Intergovernmental Risk Pool (Risk Pool) to provide insurance for workers' compensation benefits, liability and property coverage.

At September 30, 2023, the Risk Pool was self-sustaining based on premiums charged, so that total contributions plus compounded earnings on these contributions will be sufficient to satisfy claims and liabilities and other expenses. Premiums are assessed based on the rates set by the Texas State Board of Insurance and may be adjusted, on an annual basis, by the Risk Pool's Board of Trustees for each participating political subdivision's experience. The City is not liable for payments beyond the annual contributions.

The Risk Pool has purchased stop-loss coverage to protect the assets of the pool from catastrophic losses. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years, and there have been no significant reductions in insurance coverage during the current year.

B. Trinity River Authority of Texas

In 1972, the City entered into a contract with the Trinity River Authority (TRA) for the purchase of water. The contract shall remain in effect until all bonds, including refunding bonds, have been paid.

Under the terms of the contract, the City is obligated to pay its proportional share of operating and maintenance expenses and debt service charges by the TRA based on the ratio of estimated water usage for the ensuing year to the total estimated water usage. Total purchases during fiscal year 2023 were $10,242,806.

In 1973, the City entered into a 50-year contract with the TRA for the transportation, treatment, and disposal of sanitary sewage actually discharged and to share in the cost of operation and maintenance of the system. Total payments of $4,670,766 were made in fiscal year 2023. Additionally, $403,640 was spent with the City of Hurst for the transportation, treatment and disposal of sanitary sewage as well.

C. Litigation

Various claims and lawsuits are pending against the City. In the opinion of the City's legal counsel and management, the potential loss on all claims after insurance will not be significant to the City's financial statements.

D. State and Federal Programs

The City has received federal and state grants for specific purposes that are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. In the opinion of management of the City, disallowed costs, if any, should not be material.

Required Supplementary Information

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City of Bedford, Texas

Schedule of Changes in the City's Net Pension Liability and Related Ratios
Texas Municipal Retirement System
Last Nine Measurement Years

	Year Ended December 31								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY									
Service cost	3,685,983	3,447,579	3,309,978	2,948,845	2,996,009	2,703,744	$ 2,676,451	$ 2,515,193	$ 1,588,982
Interest (on the Total Pension Liability)	4,978,198	4,613,812	4,174,117	2,705,647	2,410,946	2,139,669	1,866,228	1,643,314	1,439,551
Changes of benefit terms	-	-	17,246,961	-	-	-	-	-	1,308,563
Changes in assumptions	-	-	-	(65,423)	-	-	-	711,649	-
Difference between expected and actual experience	11,924	(769,990)	543,210	(195,552)	(131,459)	(246,817)	77,844	(368,820)	(233,110)
Benefit payments, including refunds of employee contributions	(1,962,276)	(2,062,330)	(1,101,861)	(1,030,024)	(741,916)	(705,692)	(460,701)	(359,420)	(335,835)
Net change in total pension liability	6,713,829	5,229,071	24,172,405	4,363,493	4,533,580	3,890,904	4,159,822	4,141,916	3,768,151
Total pension liability - beginning	72,889,222	67,660,151	43,487,746	39,124,253	34,590,673	30,699,769	26,539,947	22,398,031	18,629,880
Total pension liability - ending (a)	79,603,051	72,889,222	67,660,151	43,487,746	39,124,253	34,590,673	30,699,769	26,539,947	22,398,031
PLAN FIDICIARY NET POSITION									
Contributions - employer	4,233,606	3,832,642	2,131,048	2,111,935	2,137,293	1,919,893	1,705,987	1,611,071	1,032,810
Contributions - employee	1,790,076	1,709,140	1,653,808	1,639,548	1,660,496	1,503,273	1,489,019	1,387,526	972,517
Net investment income	(3,315,962)	4,831,954	2,426,080	3,915,583	(687,085)	2,458,477	949,763	16,795	525,939
Benefit payments, including refunds of employee contributions	(1,962,276)	(2,062,330)	(1,101,861)	(1,030,024)	(741,916)	(705,692)	(460,701)	(359,420)	(335,835)
Administrative expense	(28,555)	(22,268)	(15,631)	(22,022)	(13,231)	(12,708)	(10,700)	(10,223)	(5,486)
Other	34,074	153	(609)	(662)	(691)	(643)	(577)	(505)	(451)
Net change in plan fiduciary net position	750,963	8,289,291	5,092,835	6,614,358	2,354,866	5,162,600	3,672,791	2,645,244	2,189,494
Plan fiduciary net position - beginning	45,206,160	36,916,869	31,824,034	25,209,676	22,854,810	17,692,210	14,019,419	11,374,175	9,184,681
Plan fiduciary net position - ending (b)	45,957,123	45,206,160	36,916,869	31,824,034	25,209,676	22,854,810	17,692,210	14,019,419	11,374,175
NET PENSION LIABILITY - ending (a) - (b)	$ 33,645,928	$ 27,683,062	$ 30,743,282	$ 11,663,712	$ 13,914,577	$ 11,735,863	$ 13,007,559	$ 12,520,528	$ 11,023,856
Plan fiduciary net position as a percentage of total pension liability	57.73%	62.02%	54.56%	73.18%	64.43%	66.07%	57.63%	52.82%	50.78%
Covered payroll	$ 25,632,708	$ 24,416,282	$ 23,625,825	$ 23,422,120	$ 23,721,371	$ 21,475,333	$ 21,258,547	$ 21,351,384	$ 19,450,346
City's net pension liability as a percentage of covered payroll	131.26%	113.38%	130.13%	49.80%	58.66%	54.65%	61.19%	58.64%	56.68%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions

City of Bedford, Texas

Schedule of City Contributions
Texas Municipal Retirement System
Last Nine Fiscal Years

	Year Ended September 30								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 4,680,666	$ 4,055,163	$ 3,411,680	$ 2,121,266	$ 2,118,005	$ 2,035,140	$ 1,924,529	$ 1,680,982	$ 1,399,303
Contributions in relation to the actuarially determined contribution	4,680,666	4,055,163	3,411,680	2,121,266	2,118,005	2,035,140	1,924,529	1,680,982	1,399,303
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 27,895,987	$ 25,295,123	$ 24,365,915	$ 21,488,577	$ 23,488,350	$ 22,630,160	$ 22,147,313	$ 22,649,265	$ 23,602,275
Contributions as a percentage of covered payroll	16.78%	16.03%	14.00%	9.87%	9.02%	8.99%	8.69%	7.42%	5.93%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions

City of Bedford, Texas

Notes to the Schedule of City Contributions
Last Nine Fiscal Years

Valuation Date: December 31, 2022
Actuarial determined contribution rates are calculated as of December 31st, each year and become effective in January, 13 months and a day later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	23 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 – 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information:	1) Adopted supplemental death benefits for actives. 2) Adopted 50% repeating USC with transfer. 3) Adopted restricted prior service credit.

City of Bedford, Texas

Schedule of Changes in the City's Other Post-Employment Benefits Liabilities and Related Ratios – Retiree Healthcare Plan
Last Six Measurement Years

	Year Ended December 31					
	2023	**2022**	**2021**	**2020**	**2019**	**2018**
Total OPEB liability						
Service cost	$ 13,294	$ 12,451	$ 16,565	$ 20,196	$ 33,282	$ 28,394
Interest	28,658	29,598	37,074	93,755	86,615	91,716
Changes of benefit terms	-	141,114	-	-	-	-
Difference between expected and actual experience	5,813	(29,740)	5,723	(1,317,943)	5,923	-
Change in assumptions	(315,042)	26,964	133,140	95,681	(131,216)	164,339
Employer contributions	-	(52,380)	(64,956)	(72,714)	(82,737)	(72,029)
Benefit payments	(154,008)	-	-	-	-	-
Net changes	(421,285)	128,007	127,546	(1,181,025)	(88,133)	212,420
Total OPEB liability - beginning	1,627,878	1,499,871	1,372,325	2,553,350	2,641,483	2,429,063
Total OPEB liability - ending	$ 1,206,593	$ 1,627,878	$ 1,499,871	$ 1,372,325	$ 2,553,350	$ 2,641,483
Plan fiduciary net position						
Employer contributions	$ 154,008	$ 52,380	$ 64,956	$ 72,714	$ 82,737	$ 72,029
OPEB plan net investment income	(6,281)	3,884	4,238	5,091	(1,599)	3,092
Benefit payments	(154,008)	(52,380)	(64,956)	(72,714)	(82,737)	(72,029)
OPEB plan administrative expense			(41)	-	-	-
Net change in plan fiduciary net position	(6,281)	3,884	4,197	5,091	(1,599)	3,092
Plan fiduciary net position- beginning	48,919	45,035	40,838	35,747	37,346	34,254
Plan fiduciary net position- ending	$ 42,638	$ 48,919	$ 45,035	$ 40,838	$ 35,747	$ 37,346
Net OPEB liability - ending	$ 1,163,955	$ 1,578,959	$ 1,454,836	$ 1,331,487	$ 2,517,603	$ 2,604,137
Plan fiduciary net position as a percentage of total OPEB liability	3.53%	3.01%	3.00%	2.98%	1.40%	1.41%
Covered employee payroll	$ 940,033	$ 947,955	$ 1,737,307	$ 1,638,064	$ 2,024,772	$ 1,995,448
Net OPEB liability as a percentage of covered employee payroll	123.82%	166.56%	83.74%	81.28%	124.34%	130.50%

The information in this schedule has been determined as of the measurement date (December 31) of the City's OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions – Retiree Health Care Plan

City of Bedford, Texas

Schedule of Contributions – Retiree Healthcare Plan
Last Six Fiscal Years

	Year Ended September 30					
	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	$ 99,357	$ 103,717	$ 87,112	$ 71,491	$ 70,556	$ -
Contributions in relation to the actuarially determined contribution	99,357	103,717	87,112	71,491	70,556	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 1,046,963	$ 1,047,022	$ 1,556,177	$ 1,408,191	$ 1,704,133	$ 2,105,853
Contributions as a percentage of covered payroll	9.49%	9.91%	5.60%	5.08%	4.14%	0.00%

The information in this schedule has been determined as of the measurement date (December 31) of the City's OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions – Retiree Health Care Plan

City of Bedford, Texas

Notes to the Schedule of Contributions – Retiree Healthcare Plan
Last Six Fiscal Years

Valuation Date: December 31, 2022

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Individual Entry Age Normal
Single Discount Rate	4.05% as of December 31, 2022
Inflation	2.50%
Salary Increases	3.50% to 11.5% including inflation
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables published through 2019 to account for future mortality improvements.
Particpation Rates	Before age 65, participation rates vary from 30% to 70% based on years of City service. For the plan participants that are expected to not qualify for Medicare, 40% of current pre-65 retirees and 25% of current active employees were assumed to participate in the City's plan after the age of 65.
Healthcare cost trend rates	Initial rates of 7.0% declining to ultimate rates of 4.15% after 13 years.
Notes:	The discount rate changes from 1.84% as of December 31, 2021 to 4.05% as of December 31, 2022.

City of Bedford, Texas

Budgetary Comparison Schedule General Fund
Year ended September 30, 2023

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
REVENUES				
Taxes, penalty and interest	$ 34,913,290	$ 34,913,290	$ 34,956,973	$ 43,683
Licenses, permits, and fees	1,075,550	1,075,550	1,097,630	22,080
Charges for services	2,353,600	2,353,600	2,505,701	152,101
Fines and forfeitures	1,079,600	1,079,600	1,399,262	319,662
Support from governmental entities	358,120	358,120	1,190,050	831,930
Interest	56,100	56,100	533,661	477,561
Miscellaneous	79,500	79,500	330,724	251,224
Total revenues	39,915,760	39,915,760	42,014,001	2,098,241
EXPENDITURES				
Current				
General government	1,900,090	1,900,090	1,885,813	14,277
Support services	2,781,640	2,781,640	2,518,874	262,766
Development	2,034,345	2,034,345	2,188,677	(154,332)
Public works	2,401,280	2,401,280	1,090,788	1,310,492
Administrative services	3,519,670	3,519,670	3,431,836	87,834
Police	14,202,771	14,202,771	13,947,534	255,237
Fire	10,659,015	10,659,015	10,822,036	(163,021)
Community Services	5,150,170	5,150,170	4,791,788	358,382
Capital outlay	320,575	550,575	1,062,311	(511,736)
Debt service				
Principal retirement	-	-	1,507,575	(1,507,575)
Interest and fiscal agent fees	129,910	129,910	169,457	(39,547)
Total expenditures	43,099,466	43,329,466	43,416,689	(87,223)
Excess (deficiency) of revenues over (under) expenditures	(3,183,706)	(3,413,706)	(1,402,688)	2,185,464
OTHER FINANCING SOURCES (USES)				
Transfers in	4,663,880	4,663,880	3,632,883	(1,030,997)
Transfers out	(1,090,230)	(1,090,230)	(120,330)	969,900
Issuance of debt- leases	-	-	8,265	8,265
Insurance proceeds	15,000	15,000	101,125	86,125
Total other financing sources (uses)	3,588,650	3,588,650	3,621,943	33,293
Net change in fund balance	404,944	174,944	2,219,255	2,218,757
Fund balances, beginning of year	11,747,937	11,747,937	11,747,937	-
FUND BALANCES, end of year	$ 12,152,881	$ 11,922,881	$ 13,967,192	$ 2,218,757

City of Bedford, Texas
Budgetary Comparison Schedule
Economic Development 4B Fund
Year ended September 30, 2023

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
REVENUES				
Taxes, penalty and interest	$ 3,895,350	$ 3,895,350	$ 3,975,292	$ 79,942
Interest	10,000	10,000	181,738	171,738
Total revenues	3,905,350	3,905,350	4,157,030	251,680
EXPENDITURES				
Current				
Public works	2,471,300	2,651,906	2,711,979	(60,073)
Capital outlay	1,330,000	1,330,000	252,628	1,077,372
Debt service				
Principal retirement	610,000	610,000	610,000	-
Interest and fiscal agent fees	55,620	55,620	55,620	-
Total expenditures	4,466,920	4,647,526	3,630,227	1,017,299
Excess (deficiency) of revenues over expenditures	(561,570)	(742,176)	526,803	1,268,979
OTHER FINANCING SOURCES (USES)				
Transfers out	(286,010)	(286,010)	(286,010)	-
Total other financing sources (uses)	(286,010)	(286,010)	(286,010)	-
Net changes in fund balance	(847,580)	(1,028,186)	240,793	1,268,979
FUND BALANCE, beginning of year	4,904,331	4,904,331	4,904,331	-
FUND BALANCE, end of year	$ 4,056,751	$ 3,876,145	$ 5,145,124	$ 1,268,979

Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted for the General, Debt Service, Court Security, Court Technology, Tourism Development, Park Donation, Bedford Beautification, Economic Development 4B, SWAT Netcast, Public Safety Training, Municipal Jury, Truancy Prevention & Diversion, Public Education Government, Commercial Vehicle Enforcement, and Tax Increment Financing funds using the modified accrual basis of accounting.

The City Council follows these procedures in establishing budgetary data reflected in the financial statements:

- Prior to August 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to September 30, the budget is legally enacted through passage of an ordinance.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council after public hearings.
- All unexpended appropriations lapse at year-end.

Actual results in excess of budgeted amounts from the General fund, and descriptions of circumstances leading to these results are as follows:

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- Development ($154,332)
    - Amounts relate to an approved contract. This was approved by Council, however, a budget amendment was not approved.
- Fire ($163,021)
    - Amounts relate to increased cost in vehicle maintenance, fuel and EMS billing fees.
- Principal retirement ($1,507,575)
    - Amounts relate to expenditures recorded for the implementation of GASB Statement No. 96, SBITA and GASB 87, Leases that were budgeted in another function/department.
- Interest and fiscal agent fees ($39,547)
    - Amounts relate to expenditures recorded for the implementation of GASB Statement No. 96, SBITA and GASB 87, Leases that were budgeted in another function/department.
- Capital outlay ($511,736)
    - Amounts relate to an approved contract. This was approved by Council, however, a budget amendment was not approved.

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Combining Fund Statements and Schedules

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Special Revenue Funds

Special Revenue Funds – are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The City's nonmajor special revenue funds are as follows:

Miscellaneous Donations Fund – This fund is used to account for miscellaneous designated contributions from citizens and other governments.

Court Security Fund – This fund accounts for monies collected under state statute designated to provide security for the Municipal Court facilities.

Court Technology Fund – This fund is used for monies collected under state statute designed to provide increased technology for the Municipal Court facilities.

Park Donation Fund – This fund is used for contributions from citizens designated for park improvements.

Drug Forfeiture Fund – This fund accounts for monies received from participation in federal drug enforcement activities.

Bedford Beautification Fund – This fund accounts for revenue and expenditures related to various citywide beautification programs proposed by the City's Beautification Commission.

Public Education Government Fund – This fund accounts for the 1% fee that is collected along with the cable franchise fee to support to capital costs for public, educational, governmental (PEG) programming facilities.

Commercial Vehicle Enforcement Fund – This fund accounts for funds collected to enforce Motor Carrier Safety Regulations.

Municipal Jury Fund – This fund accounts for funds collected under state statute to fund juror reimbursements for jury services.

Public Safety Training Fund – This fund accounts for funds received from state surplus to be used for police training.

Tourism Development Fund – This fund accounts for hotel/motel taxes received.

Tax Increment Financing Fund – This fund is used to fund the construction of needed public infrastructure improvements that will yield additional tax revenue to all local taxing jurisdictions.

ARPA Grant Fund – This fund accounts for revenues and expenditures from the Coronavirus State and Local Fiscal Recovery Funds program authorized by the American Rescue Plan Act (ARPA).

Red Light Cameras Fund – This fund accounts for revenues generated from red light camera fines.

NETCO/Motorola Rebanding Fund – This fund accounts for the City's portion of proceeds received from Motorola for Northeast Tarrant County Trunked Radio Consortium (NETCO). Resolution No. 07-53.

SWAT Netcast Fund – This fund accounts for revenue and expenditures for the SWAT related activities.

Truancy Prevention & Diversion Fund – This fund accounts for the salaries, benefits, training, and other expenses to fund a Juvenile Case Manager.

Various Grants Fund – This fund accounts for revenues and expenditures from multiple grants, the majority of which pertain to energy conservation.

Capital Projects Funds

Capital Projects Funds – are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. The City's nonmajor capital projects fund is as follows:

Street and Drainage Fund – to account for construction projects funded by developer agreements and assessments.

City of Bedford, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	Special Revenue Funds								
	Miscellaneous Donation	Court Security	Court Technology	Park Donation	Drug Forfeiture	Bedford Beautification	Public Education Government	Commercial Vehicle Enforcement	Municipal Jury
ASSETS									
Cash and cash equivalents	$ 52,269	$ 8,655	$ 13,423	$ 18,449	$ 50,789	$ 26,751	$ 111,151	17,945	$ 398
Investments	69,767	15,952	19,066	26,266	72,380	38,129	420,027	10,612	637
Prepaids	-	-	-	-	-	-	-		-
Receivables									
Taxes, less allowance for uncollectible	-	-	-	-	-	-	18,909	-	-
Accounts	-	-	-	345	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total assets	$ 122,036	$ 24,607	$ 32,489	$ 45,060	$ 123,169	$ 64,880	$ 550,087	$ 28,557	$ 1,035
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities									
Accounts and accrued liabilities	$ 3,328	$ -	$ -	$ -	$ 5,000	$ 226	$ 2,492	5,676	$ -
Due to other funds	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Total liabilities	3,328	-	-	-	5,000	226	2,492	5,676	-
Deferred inflows of resources									
Unavailable revenue	-	-	-	-	-	-	-	-	-
Fund Balances									
Nonspendable									
Inventories and prepaid items	-	-	-	-	-	-	-	-	-
Restricted:									
Street and drainage improvements	-	-	-	-	-	-	-	-	-
Public safety	104,609	24,607	32,489	-	118,169	-	-	22,881	1,035
Parks and beautification	1,153	-	-	45,060	-	64,654	-	-	-
Community services	12,946	-	-	-	-	-	547,595	-	-
Grants	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	118,708	24,607	32,489	45,060	118,169	64,654	547,595	22,881	1,035
TOTAL LIABILITIES, DEFERRED INFLOWS, OF RESOURCES AND FUND BALANCES	$ 122,036	$ 24,607	$ 32,489	$ 45,060	$ 123,169	$ 64,880	$ 550,087	$ 28,557	$ 1,035

Special Revenue Funds										Capital Projects Fund	Total
Public Safety Training	Tourism Development	Tax Increment Financing	ARPA Grant	Red Light Cameras	NETCO/ Motorola Rebanding	SWAT Netcast	Truancy Prevention & Diversion	Various Grants	Street and Drainage	Nonmajor Governmental Funds
$ 19,309	$ 849,973	$ 32,949	$ 3,622,972	$ 1,020	$ -	$ 16,192	$ 14,302	$ -	$ 1,092,289	$ 5,948,836
27,564	1,201,058	47,067	3,811,038	1,443	-	21,966	23,986	-	1,556,869	7,363,827
-	378	-		-	-	-	-	-	-	378
-	-	-		-	-	-	-	-	-	18,909
-	401,320	104	-	-	-	-	-	117,165	-	518,934
-	-	-	-	-	-	-	-	-	239,224	239,224
$ 46,873	$ 2,452,729	$ 80,120	$ 7,434,010	$ 2,463	$ -	$ 38,158	$ 38,288	$ 117,165	$ 2,888,382	$ 14,090,108
$ -	$ 38,881	$ -	$ 26,162	$ -	$ -	$ 728	$ -	$ -	$ -	$ 82,493
-	-	-	-	-	-	-	-	114,165	-	114,165
-	-	-	7,323,124	-	-	-	-	-	6,000	7,329,124
-	38,881	-	7,349,286	-	-	728	-	114,165	6,000	7,525,782
-	-	-	-	-	-	-	-	-	239,224	239,224
-	378	-	-	-	-	-	-	-	-	378
-	-	-	-	-	-	-	-	-	2,643,158	2,643,158
46,873	-	-	-	2,463	-	37,430	38,288	-	-	428,844
-	-	-	-	-	-	-	-	-	-	110,867
-	2,413,470	80,120	-	-	-	-	-	-	-	3,054,131
-	-	-	84,724	-	-	-	-	-	-	84,724
-	-	-		-	-	-	-	3,000	-	3,000
46,873	2,413,848	80,120	84,724	2,463	-	37,430	38,288	3,000	2,643,158	6,325,102
$ 46,873	$ 2,452,729	$ 80,120	$ 7,434,010	$ 2,463	$ -	$ 38,158	$ 38,288	$ 117,165	$ 2,888,382	$ 14,090,108

City of Bedford, Texas

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended September 30, 2023

	Special Revenue Funds								
	Miscellaneous Donation	Court Security	Court Technology	Park Donation	Drug Forfeiture	Bedford Beautification	Public Education Government	Commercial Vehicle Enforcement	Municipal Jury
REVENUES									
Taxes, penalty and interest	$ -	$ -	$ -	$ -	$ -	$ -	$ 60,495	$ -	$ -
Charges for service	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	42,179	35,366	-	-	-	-	16,624	824
Support from governmental entities	-	-	-	-	-	-	-	-	-
Interest	4,851	819	1,155	2,261	4,723	2,398	21,218	915	24
Miscellaneous	92,028	-	-	9,006	30,432	10,000	-	1,010	-
Total revenues	96,879	42,998	36,521	11,267	35,155	12,398	81,713	18,549	848
EXPENDITURES									
Current									
General government	-	-	-	-	-	-	60,876	-	-
Support services	-	-	-	-	-	-	-	-	-
Development	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Police	63,880	-	34,071	-	27,434	-	-	129,669	-
Fire	1,230	-	-	-	-	-	-	-	-
Community services	38,382	-	-	20,621	-	5,209	-	-	-
Capital outlay	-	-	-	-	-	-	48,394	-	-
Debt Service									
Principal	-	-	-	-	-	-	-	141	-
Interest and fiscal charges	-	-	-	-	-	-	-	20	-
Total expenditures	103,492	-	34,071	20,621	27,434	5,209	109,270	129,830	-
Excess (deficiency) of revenues over (under) expenditures	(6,613)	42,998	2,450	(9,354)	7,721	7,189	(27,557)	(111,281)	848
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	-	105,330	-
Transfers out	-	(31,000)	-	-	-	-	-	-	(600)
Total other financing sources (uses)	-	(31,000)	-	-	-	-	-	105,330	(600)
NET CHANGES IN FUND BALANCE	(6,613)	11,998	2,450	(9,354)	7,721	7,189	(27,557)	(5,951.00)	248
FUND BALANCE, beginning of year	125,321	12,609	30,039	54,414	110,448	57,465	575,152	28,832	787
FUND BALANCE, end of year	$ 118,708	$ 24,607	$ 32,489	$ 45,060	$ 118,169	$ 64,654	$ 547,595	$ 22,881	$ 1,035

Special Revenue Funds									Capital Projects Fund	Total
Public Safety Training	Tourism Development	Tax Increment Financing	ARPA Grant	Red Light Cameras	NETCO/ Motorola Rebanding	SWAT Netcast	Truancy Prevention & Diversion	Various Grants	Street and Drainage	Nonmajor Governmental Funds
$ -	$ 1,531,409	$ 79,204	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,671,108
-	63,542	-	-	-	-	-	-	-	-	63,542
-	-	-	-	-	-	-	41,701	-	-	136,694
33,536	-	-	-	-	-	45,000	-	214,332	-	292,868
1,436	77,624	916	279,790	109	109	2,942	892	90	105,307	507,579
-	28,585	-	1,218,844	-	-	-	-	-	-	1,389,905
34,972	1,701,160	80,120	1,498,634	109	109	47,942	42,593	214,422	105,307	4,061,696
-	429,132	-	51,150	-	-	-	-	-	-	541,158
-	-	-	9,000	-	-	-	-	-	-	9,000
-	-	-	49,474	-	-	-	-	-	-	49,474
-	-	-	10,391	-	-	-	-	-	-	10,391
-	-	-	472,008	2,151	-	89,006	-	48,046	-	866,265
1,200	-	-	104,877	-	-	-	-	2,832	-	110,139
-	487,891	-	-	-	-	-	-	3,612	-	555,715
-	-	-	481,944	-	-	-	-	162,074	-	692,412
-	3,599	-	40,000	-	-	-	-	-	-	43,740
-	148	-	-	-	-	-	-	-	-	168
1,200	920,770	-	1,218,844	2,151	-	89,006	-	216,564	-	2,878,462
33,772	780,390	80,120	279,790	(2,042)	109	(41,064)	42,593	(2,142)	105,307	1,183,234
-	-	-	-	-	-	15,000	-	-	-	120,330
-	(122,833)	-	-	-	(4,140)	-	(30,500)	-	-	(189,073)
-	(122,833)	-	-	-	(4,140)	15,000	(30,500)	-	-	(68,743)
33,772	657,557	80,120	279,790	(2,042)	(4,031)	(26,064)	12,093	(2,142)	105,307	1,114,491
13,101	1,756,291	-	(195,066)	4,505	4,031	63,494	26,195	5,142	2,537,851	5,210,611
$ 46,873	$ 2,413,848	$ 80,120	$ 84,724	$ 2,463	$ -	$ 37,430	$ 38,288	$ 3,000	$ 2,643,158	$ 6,325,102

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Nonmajor Governmental Funds

Special Revenue Funds

Annual budgets are adopted using the modified accrual basis of accounting for the following funds.

City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds
Year Ended September 30, 2023

	Court Security			
	Original Budget	Final Budget	Actual	Variance from Budget
REVENUES				
Fines and forfeitures	$ 31,000	$ 31,000	$ 42,179	$ 11,179
Interest	-	-	819	819
Miscellaneous	-	-	-	-
Total revenues	31,000	31,000	42,998	11,998
EXPENDITURES				
Current				
Community services	-	-	-	-
Police	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	31,000	31,000	42,998	11,998
OTHER FINANCING SOURCES (USES)				
Transfers out	(31,000)	(31,000)	(31,000)	-
Total other financing sources (uses)	(31,000)	(31,000)	(31,000)	-
NET CHANGES IN FUND BALANCE	-	-	11,998	11,998
FUND BALANCE, beginning of year	12,609	12,609	12,609	-
FUND BALANCE, end of year	$ 12,609	$ 12,609	$ 24,607	$ 11,998

Court Technology				Park Donation			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
$ 28,500	$ 28,500	$ 35,366	$ 6,866	$ -	$ -	$ -	$ -
100	100	1,155	1,055	200	200	2,261	2,061
-	-	-	-	10,000	10,000	9,006	(994)
28,600	28,600	36,521	7,921	10,200	10,200	11,267	1,067
-	-	-	-	25,000	25,000	20,621	4,379
37,110	37,110	34,071	3,039	-	-	-	-
37,110	37,110	34,071	3,039	25,000	25,000	20,621	4,379
(8,510)	(8,510)	2,450	10,960	(14,800)	(14,800)	(9,354)	5,446
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(8,510)	(8,510)	2,450	10,960	(14,800)	(14,800)	(9,354)	5,446
30,039	30,039	30,039	-	54,414	54,414	54,414	-
$ 21,529	$ 21,529	$ 32,489	$ 10,960	$ 39,614	$ 39,614	$ 45,060	$ 5,446

City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds – Continued
Year Ended September 30, 2023

	Bedford Beautification			
	Original Budget	Final Budget	Actual	Variance from Budget
REVENUES				
Taxes, penalty and interest	$ -	$ -	$ -	$ -
Charges for service	-	-	-	-
Support from governmental entities	-	-	-	-
Interest	200	200	2,398	2,198
Miscellaneous	10,000	10,000	10,000	-
Total revenues	10,200	10,200	12,398	2,198
EXPENDITURES				
Current				
General government	-	-	-	-
Community services	25,000	25,000	5,209	19,791
Fire	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other fiscal charges	-	-	-	-
Total expenditures	25,000	25,000	5,209	19,791
Excess (deficiency) of revenues over (under) expenditures	(14,800)	(14,800)	7,189	21,989
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGES IN FUND BALANCE	(14,800)	(14,800)	7,189	21,989
FUND BALANCE, beginning of year	57,465	57,465	57,465	-
FUND BALANCE, end of year	$ 42,665	$ 42,665	$ 64,654	$ 21,989

Public Safety Training				Tourism Development			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
$ -	$ -	$ -	$ -	$ 1,100,000	$ 1,100,000	$ 1,531,409	$ 431,409
-	-	-	-	288,100	288,100	63,542	(224,558)
7,100	7,100	33,536	26,436	-	-	-	-
50	50	1,436	1,386	2,500	2,500	77,624	75,124
-	-	-	-	650	650	28,585	27,935
7,150	7,150	34,972	27,822	1,391,250	1,391,250	1,701,160	309,910
-	-	-	-	440,870	440,870	429,132	11,738
-	-	-	-	475,500	475,500	487,891	(12,391)
3,000	3,000	1,200	1,800	-	-	-	-
-	-	-	-	-	-	3,599	(3,599)
-	-	-	-	-	-	148	(148)
3,000	3,000	1,200	1,800	916,370	916,370	920,770	(4,400)
4,150	4,150	33,772	29,622	474,880	474,880	780,390	305,510
-	-	-	-	(122,830)	(122,830)	(122,833)	(3)
-	-	-	-	(122,830)	(122,830)	(122,833)	(3)
4,150	4,150	33,772	29,622	352,050	352,050	657,557	305,507
13,101	13,101	13,101	-	1,756,291	1,756,291	1,756,291	-
$ 17,251	$ 17,251	$ 46,873	$ 29,622	$ 2,108,341	$ 2,108,341	$ 2,413,848	$ 305,507

City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds – Continued
Year Ended September 30, 2023

	SWAT Netcast			
	Original Budget	Final Budget	Actual	Variance from Budget
REVENUES				
Fines and forfeitures	$ -	$ -	$ -	$ -
Support from governmental entities	45,000	45,000	45,000	-
Interest	300	300	2,942	2,642
Total revenues	45,300	45,300	47,942	2,642
EXPENDITURES				
Current				
Police	60,000	60,000	89,006	(29,006)
Total expenditures	60,000	60,000	89,006	(29,006)
Excess (deficiency) of revenues over (under) expenditures	(14,700)	(14,700)	(41,064)	(26,364)
OTHER FINANCING SOURCES (USES)				
Transfers in	15,000	15,000	15,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	15,000	15,000	15,000	-
NET CHANGES IN FUND BALANCE	300	300	(26,064)	(26,364)
FUND BALANCE, beginning of year	63,494	63,494	63,494	-
FUND BALANCE, end of year	$ 63,794	$ 63,794	$ 37,430	$ (26,364)

Municipal Jury				Truancy Prevention & Diversion			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
$ 600	$ 600	$ 824	$ 224	$ 30,500	$ 30,500	$ 41,701	$ 11,201
-	-	-	-	-	-	-	-
-	-	24	24	-	-	892	892
600	600	848	248	30,500	30,500	42,593	12,093
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
600	600	848	248	30,500	30,500	42,593	12,093
-	-	-	-	-	-	-	-
(600)	(600)	(600)	-	(30,500)	(30,500)	(30,500)	-
(600)	(600)	(600)	-	(30,500)	(30,500)	(30,500)	-
-	-	248	248	-	-	12,093	12,093
787	787	787	-	26,195	26,195	26,195	-
$ 787	$ 787	$ 1,035	$ 248	$ 26,195	$ 26,195	$ 38,288	$ 12,093

City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds – Continued
Year Ended September 30, 2023

	Public Education Government			
	Original Budget	Final Budget	Actual	Variance from Budget
REVENUES				
Taxes, penalty and interest	$ 75,000	$ 75,000	$ 60,495	$ (14,505)
Fines and forfeitures	-	-	-	-
Interest	2,500	2,500	21,218	18,718
Miscellaneous	-	-	-	-
Total revenues	77,500	77,500	81,713	4,213
EXPENDITURES				
Current				
General government	21,800	21,800	60,876	(39,076)
Police	-	-	-	-
Capital outlay	243,400	243,400	48,394	195,006
Debt service				
Principal	-	-	-	-
Interest and other fiscal charges	-	-	-	-
Total expenditures	265,200	265,200	109,270	155,930
Excess (deficiency) of revenues over (under) expenditures	(187,700)	(187,700)	(27,557)	160,143
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGES IN FUND BALANCE	(187,700)	(187,700)	(27,557)	160,143
FUND BALANCE, beginning of year	575,152	575,152	575,152	-
FUND BALANCE, end of year	$ 387,452	$ 387,452	$ 547,595	$ 160,143

Commercial Vehicle Enforcement				Tax Increment Financing			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
$ -	$ -	$ -	$ -	$ 66,450	$ 66,450	$ 79,204	$ 12,754.00
20,000	20,000	16,624	(3,376)	-	-	-	-
200	200	915	715	-	-	916	916
-	-	1,010	1,010	-	-	-	-
20,200	20,200	18,549	(1,651)	66,450	66,450	80,120	13,670
-	-	-	-	-	-	-	-
125,530	125,530	129,669	(4,139)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	141	(141)	-	-	-	-
-	-	20	-	-	-	-	-
125,530	125,530	129,830	(4,280)	-	-	-	-
(105,330)	(105,330)	(111,281)	(5,931)	66,450	66,450	80,120	13,670
105,330	105,330	105,330	-	-	-	-	-
105,330	105,330	105,330	-	-	-	-	-
-	-	(5,951)	(5,931)	66,450	66,450	80,120	13,670
28,832	28,832	28,832	-	-	-	-	-
$ 28,832	$ 28,832	$ 22,881	$ (5,931)	$ 66,450	$ 66,450	$ 80,120	$ 13,670

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Debt Service Fund

Debt Service Fund is used to account for the accumulation of resources for the repayment of long-term debt.

City of Bedford, Texas

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
Debt Service Fund
Year Ended September 30, 2023

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
REVENUES				
Taxes, penalty and interest	6,697,760	6,697,760	$ 5,811,010	$ (886,750)
Interest	10,000	10,000	77,949	67,949
Total revenues	6,707,760	6,707,760	5,888,959	(818,801)
EXPENDITURES				
Debt service				
Principal retirement	4,265,000	4,265,000	4,265,000	-
Interest and fiscal agent fees	2,397,760	2,397,760	2,405,936	(8,176)
Total expenditures	6,662,760	6,662,760	6,670,936	(8,176)
Excess (deficiency) of revenues over expenditures	45,000	45,000	(781,977)	(826,977)
NET CHANGES IN FUND BALANCE	45,000	45,000	(781,977)	(826,977)
FUND BALANCE, beginning of year	1,557,821	1,557,821	1,557,821	-
FUND BALANCE, end of year	$ 1,602,821	$ 1,602,821	$ 775,844	$ (826,977)

Statistical Section (Unaudited)

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Statistical Section

This part of the City of Bedford's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. The tables herein, are unaudited.

Contents

Page

Financial Trends 103

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity.....113

These schedules contain trend information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity.....121

These schedules contain trend information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 129

The schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.

Operating Information.....135

The schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules are derived from Annual Comprehensive Financial Reports for the relevant year.

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Financial Trends

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City of Bedford, Texas **Table 1**

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2015*	2016**	2017***	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net investment in capital assets	$ 10,378,086	$ 12,689,825	$ 16,607,993	$ 16,730,480	$ 20,557,161	$ 26,261,635	$ 30,869,433	$ 28,141,175	$ 45,065,050	$ 51,122,939
Restricted	6,081,351	6,583,532	9,411,339	9,064,137	7,368,500	7,222,051	6,520,240	10,818,317	11,044,351	11,913,236
Unrestricted	5,653,694	(3,086,535)	(3,727,742)	(3,770,175)	(1,847,912)	(3,266,088)	2,257,244	(10,049,428)	(18,136,083)	(16,065,537)
Total governmental activities net position	$ 22,113,131	$ 16,186,822	$ 22,291,590	$ 22,024,442	$ 26,077,749	$ 30,217,598	$ 39,646,917	$ 28,910,064	$ 37,973,318	$ 46,970,638
Business-type Activities										
Net investment in capital assets	$ 32,812,435	$ 33,942,144	$ 34,388,626	$ 35,250,028	$ 36,338,584	$ 39,510,350	$ 39,149,012	$ 40,412,557	$ 41,873,167	$ 44,946,022
Restricted	158,872	-	-	6,691	6,691	6,691	6,691	6,691	-	-
Unrestricted	5,256,555	4,062,030	4,454,409	5,099,493	6,262,758	4,168,137	6,609,492	6,374,692	8,985,299	13,013,411
Total business-type activities, net position	$ 38,227,862	$ 38,004,174	$ 38,843,035	$ 40,356,212	$ 42,608,033	$ 43,685,178	$ 45,765,195	$ 46,793,940	$ 50,858,466	$ 57,959,433
Primary Government										
Net investment in capital assets	$ 43,190,521	$ 46,631,969	$ 50,996,619	$ 51,980,508	$ 56,895,745	$ 65,771,985	$ 70,018,445	$ 68,553,732	$ 86,938,217	$ 96,068,961
Restricted	6,240,223	6,583,532	9,411,339	9,070,828	7,375,191	7,228,742	6,526,931	10,825,008	11,044,351	11,913,236
Unrestricted	10,910,249	975,495	726,667	1,329,318	4,414,846	902,049	8,866,736	(3,674,736)	(9,150,784)	(3,052,126)
Total primary government net position	$ 60,340,993	$ 54,190,996	$ 61,134,625	$ 62,380,654	$ 68,685,782	$ 73,902,776	$ 85,412,112	$ 75,704,004	$ 88,831,784	$ 104,930,071

*Amounts for 2015 were restated from the effects of GASB Statement No. 68 implementation.
**Amounts for 2016 were restated to reflect the effects of prior period adjustment as described in prior financial statements
***Amounts for 2017 were restated to reflect the effects of GASB Statement No. 75

City of Bedford, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year		
	2014	2015	2016
Expenses			
Governmental activities			
General government and administration	$ 5,688,961	$ 5,393,564	$ 5,429,870
Community services	1,549,075	1,744,633	1,876,441
Public services	3,431,383	3,655,287	5,983,295
Public safety	23,669,141	22,264,933	20,780,556
Leisure services	3,823,403	4,068,948	4,364,247
Interest expense	1,288,725	1,301,208	932,371
Total governmental activities expense	39,450,688	38,428,573	39,366,780
Business-type activities			
Water and sewer services	16,560,909	16,746,182	17,510,256
Stormwater collection and disposal	926,258	956,824	874,192
Total business-type activities expenses	17,487,167	17,703,006	18,384,448
Total primary government program expenses	$ 56,937,855	$ 56,131,579	$ 57,751,228
Program revenues			
Governmental activities			
Charges for services			
General government and administration	$ 86,874	$ 159,473	$ 91,702
Community services	586,449	274,561	310,534
Public services	261,846	1,111,453	1,102,811
Public safety	4,083,939	4,227,029	3,837,145
Leisure services	1,210,305	1,126,884	1,158,145
Operating grants and contributions	599,930	61,067	41,653
Capital grants and contributions	93,556	79,783	135,258
Total governmental activities program revenues	6,922,899	7,040,250	6,677,248
Business-type activities			
Charges for services			
Water and sewer services	18,607,795	19,102,535	20,267,092
Stormwater collection and disposal	1,312,932	1,302,656	1,303,734
Capital grants and contributions	6,263,044	325,496	162,647
Total business-type activities program revenues	26,183,771	20,730,687	21,733,473
Total primary government program revenues	$ 33,106,670	$ 27,770,937	$ 28,410,721

Fiscal Year							
2017	2018	2019	2020	2021	2022	2023
$ 5,172,343	$ 5,358,893	$ 5,387,669	$ 6,156,789	$ 9,841,070	$ 7,941,147	$ 9,094,971
1,811,320	2,316,201	2,624,216	2,027,787	4,667,871	2,264,255	2,338,754
5,421,724	5,696,229	6,823,307	5,312,274	5,977,891	4,962,341	5,300,817
22,016,970	22,212,547	22,464,281	22,347,021	35,129,701	27,843,780	26,664,613
5,418,465	5,315,999	5,426,554	4,627,770	6,239,508	4,851,279	6,211,225
750,473	1,264,535.00	2,945,605	2,753,347	2,575,508	2,488,857	2,629,240
40,591,295	42,164,404	45,671,632	43,224,988	64,431,549	50,351,659	52,239,620
18,565,424	19,193,627.00	19,954,614	19,939,424	20,341,759	21,071,772	20,773,896
873,153	972,189	1,145,538	973,147	1,102,992	966,350	1,064,196
19,438,577	20,165,816	21,100,152	20,912,571	21,444,751	22,038,122	21,838,092
$ 60,029,872	$ 62,330,220	$ 66,771,784	$ 64,137,559	$ 85,876,300	$ 72,389,781	$ 74,077,712
$ 92,875	$ 92,114.00	$ 87,355	$ 87,443	$ 100,914	$ 84,800	$ 322,502
330,216	1,277,634.00	1,115,387	1,125,668	948,562	1,139,417	872,022
934,551	644	983	235	-	-	69,070
4,030,313	4,281,278	3,921,718	3,570,409	3,578,738	4,562,056	4,851,809
1,091,945	1,068,533	1,051,300	94,790	95,095	167,546	174,435
24,828	45,842	63,548	1,980,380	825,951	3,659,949	1,330,676
511,184	731,673	282,931	584,841	768,381	379,518	2,575,096
7,015,912	7,497,718	6,523,222	7,443,766	6,317,641	9,993,286	10,195,610
20,995,798	22,528,181.00	22,243,765	23,381,490	23,484,233	26,430,327	26,839,829
1,660,438	1,695,337	1,633,428	1,700,008	1,700,019	1,867,408	1,885,025
625,677	209,972	56,143	150,816	411,778	483,905	1,243,197
23,281,913	24,433,490	23,933,336	25,232,314	25,596,030	28,781,640	29,968,051
$ 30,297,825	$ 31,931,208	$ 30,456,558	$ 32,676,080	$ 31,913,671	$ 38,774,926	$ 40,163,661

City of Bedford, Texas
Changes in Net Position – Continued
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year		
	2014	2015	2016
Net (expense) revenues			
Governmental activities	$ (32,527,789)	$ (31,388,323)	$ (32,689,533)
Business-type activities	8,696,604	3,027,681	3,349,025
Total primary government net expense	(23,831,185)	(28,360,642)	(29,340,508)
General revenues and other			
Changes in net position			
Governmental activities			
Taxes			
Property	14,297,275	14,543,198	15,507,727
Sales	9,985,658	11,048,748	10,787,539
Franchise and occupancy	3,584,311	3,555,243	3,432,957
Other	1,028,447	1,236,319	1,358,741
Unrestricted grants and contributions	-	-	-
Investment earnings	43,393	45,552	86,353
Miscellaneous	466,677	425,314	4,526,458
Transfers	2,506,603	2,479,790	2,644,416
Total governmental activities	31,912,364	33,334,164	38,344,191
Business-type activities			
Investment earnings	22,421	14,955	174,144
Miscellaneous	-	-	(39,892)
Transfers	(2,506,603)	(2,479,790)	(2,644,416)
Total business-type activities	(2,484,182)	(2,464,835)	(2,510,164)
Total primary government	29,428,182	30,869,329	35,834,027
Change in net position			
Government activities	(615,425)	1,945,841	5,654,658
Business-type activities	6,212,422	562,846	838,861
Total primary government	$ 5,596,997	$ 2,508,687	$ 6,493,519

Fiscal Year						
2017	2018	2019	2020	2021	2022	2023
$ (34,666,686)	$ (39,148,410)	$ (35,781,222)	$ (58,113,908)	$ (40,358,373)	$ (40,358,373)	$ (42,044,010)
4,267,674	2,833,184	4,319,743	4,151,279	6,743,518	6,743,518	8,129,959
(30,399,012)	(36,315,226)	(31,461,479)	(53,962,629)	(33,614,855)	(33,614,855)	(33,914,051)
16,273,095	19,143,856	22,131,826	24,479,357	25,362,585	25,361,450	25,820,017
10,905,398	10,936,716	11,739,682	12,201,337	13,729,929	15,606,501	16,180,126
3,331,500	3,432,589	3,209,965	3,651,973	3,881,342	4,390,904	4,435,600
1,070,774	954,751	1,032,118	18,000	-	-	-
231,388	237,958	-	-	-	-	-
227,800	987,778	2,184,375	1,355,958	379,552	437,720	2,158,253
140,792	26,190,160	126,100	731,554	564,168	733,385	(710,466)
2,697,694	2,827,805.00	2,864,193	2,772,362	3,459,479	2,962,703	3,157,800
34,878,441	64,711,613	43,288,259	45,210,541	47,377,055	49,492,663	51,041,330
356,632	811,952	1,006,994	542,904	336,945	346,006	1,753,082
-	-	101,160	(10,268)	-	(61,546)	375,726
(2,697,694)	(2,827,805)	(2,864,193)	(2,772,362)	(3,459,479)	(2,962,703)	(3,157,800)
(2,341,062)	(2,015,853)	(1,756,039)	(2,239,726)	(3,122,534)	(2,678,243)	(1,028,992)
32,537,379	62,695,760	41,532,220	42,970,815	44,254,521	46,814,420	50,012,338
1,303,058	4,588,152	4,139,849	9,429,319	(10,736,853)	9,134,290	8,997,320
1,502,274	2,251,821	1,077,145	2,080,017	1,028,745	4,065,275	7,100,967
$ 2,805,332	$ 6,839,973	$ 5,216,994	$ 11,509,336	$ (9,708,108)	$ 13,199,565	$ 16,098,287

City of Bedford, Texas **Table 3**

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2014	2015	2016**	2017	2018	2019	2020	2021	2022	2023
General fund										
Nonspendable	$ 724,210	$ 326,676	$ 236,097	$ 30,104	$ 24,572	$ 33,491	$ 38,089	$ 48,007	$ 43,702	$ 31,317
Restricted	478,872	-	35,464	35,464	35,464	35,464	35,464	35,464	-	-
Assigned	-	-	140,000	-	-	-	-	-	-	-
Committed - special projects	-	-	4,486,890	-	-	-	-	-	-	-
Unassigned	6,172,841	7,199,906	7,437,211	11,873,958	13,587,512	12,823,875	17,752,892	20,881,030	12,113,153	13,935,875
Total general fund	$ 7,375,923	$ 7,526,582	$ 12,335,662	$ 11,939,526	$ 13,647,548	$ 12,892,830	$ 17,826,445	$ 20,964,501	$ 12,156,855	$ 13,967,192
All other governmental funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 378
Restricted for										
Debt service	977,409	936,907	944,473	973,557	1,049,549	1,087,072	1,055,347	1,093,161	1,557,821	775,844
Street and drainage improvements	1,839,601	1,848,957	2,274,285	2,392,382	2,390,700	2,457,154	2,507,056	2,521,553	2,537,851	2,643,158
Capital acquisition and construction	7,015,936	3,207,349	1,184,007	828,271	61,113,475	62,640,687	68,344,678	43,959,474	18,871,261	29,881,073
Economic development	2,697,890	3,713,371	4,515,434	4,465,576	4,224,387	3,592,669	3,413,108	4,949,824	4,904,331	5,145,124
Community services	-	-	-	-	-	-	-	-	1,775,004.00	3,054,131
Public safety	284,840	277,111	279,938	210,675	212,830	208,740	205,401	204,599	376,959	428,844
Parks and beautification	982,540	1,234,435	109,323	120,624	138,990	150,766	154,388	165,824	111,879	110,867
Other	75,590	95,032	68,415	68,215	66,611	84,029	96,747	156,608	-	84,724
Unassigned	-	-	-	-	-	-	-	-	-	3,000
Total all other governmental funds	$ 13,873,806	$ 11,313,162	$ 9,375,875	$ 9,059,300	$ 69,196,542	$ 70,221,117	$ 75,776,725	$ 53,051,043	$ 30,135,106	$ 42,127,143

**Amounts for 2016 were restated to reflect the effects of prior period adjustment as described in prior financial statements

City of Bedford, Texas **Table 4**

Changes in Fund Balances of Governmental Funds Page 1 of 2

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES										
Taxes, penalties and interest	$ 29,072,928	$ 30,729,516	$ 30,859,702	$ 31,805,280	$ 34,728,875	$ 38,132,727	$ 40,180,922	$ 43,059,775	$ 45,256,610	$ 46,414,383
Licenses and permits	628,484	871,081	692,700	1,056,327	1,004,797.00	1,003,348	1,030,639	877,104	1,199,366	1,097,630
Charges for services	3,177,429	3,591,135	3,959,448	3,332,863	3,651,650	3,335,686	2,427,403	2,362,785	2,534,066	2,569,243
Fines and forfeitures	2,220,906	1,949,006	1,660,311	1,742,325	1,802,258	1,476,392	1,047,963	1,050,174	1,173,223	1,535,956
Support from governmental entities	689,840	647,946	365,533	694,134	686,310	520,990	678,278	508,487	1,174,635	1,482,918
Interest	43,393	45,552	86,353	227,800	987,779	2,184,375	1,355,958	379,552	437,720	2,158,253
Miscellaneous	425,913	486,410	4,792,905	223,805	228,312	239,819	2,729,381	1,156,985	4,308,029	1,720,629
Total revenues	36,258,893	38,320,646	42,416,952	39,082,534	43,089,981	46,893,337	49,450,544	49,394,862	56,083,649	56,979,012
EXPENDITURES										
General government	1,791,511	2,229,137	2,005,931	2,335,285	2,387,709.00	2,402,492	3,490,409	4,058,025	4,273,746	2,426,971
Support Services	-	-	-	-	-	-	-	-	-	2,527,874
Development	-	-	-	-	-	-	-	-	-	2,238,151
Community services	1,488,981	1,682,326	1,806,262	1,744,784	2,175,457	2,457,588	1,896,732	2,199,231	2,182,902	5,351,846
Public works	2,452,901	2,622,977	3,263,538	2,937,472	3,326,194	5,199,368	4,170,468	4,297,394	4,438,626	3,813,158
Administrative services	2,261,952	2,057,540	2,194,218	2,659,858	2,741,039	2,707,621	2,502,610	3,326,890	3,448,098	3,431,836
Public safety	18,051,735	18,346,405	19,383,973	20,243,699	20,602,308	20,909,014	21,672,049	22,752,399	27,527,203	-
Police	-	-	-	-	-	-	-	-	-	14,813,799
Fire	-	-	-	-	-	-	-	-	-	10,932,175
Leisure services	3,804,071	4,046,351	4,290,997	4,306,461	4,221,724	4,277,851	3,612,983	3,704,325	4,189,183	-
Capital outlay	2,114,252	5,154,812	2,943,455	2,917,962	1,460,298	6,274,316	6,752,435	31,305,181	38,017,850	12,060,497
Debt service										
Principal retirement	1,462,845	1,358,233	1,119,668	912,214	847,728.00	4,717,422	4,825,799	2,829,834	5,210,000	6,426,315
Interest and fiscal agent fees	5,268,055	5,775,675	5,698,767	5,914,341	7,069,573	3,433,233	3,028,661	4,644,489	2,733,024	2,787,577
Bond issuance costs	96,476	-	-	-	-	-	-	-	-	-
Total expenditures	38,792,779	43,273,456	42,706,809	43,972,076	44,832,030	52,378,905	51,952,146	79,117,768	92,020,632	66,810,199

City of Bedford, Texas **Table 4**

Changes in Fund Balances of Governmental Funds – Continued

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,533,886)	(4,952,810)	(289,857)	(4,889,542)	(1,742,049)	(5,485,568)	(2,501,602)	(29,722,906)	(35,936,983)	(9,831,187)
OTHER FINANCING SOURCES (USES)										
Issuance of general obligation bonds	5,500,000	-	-	1,105,000	57,540,000	2,750,000	12,980,000	7,590,000	-	19,430,000
Payments to refund escrow	-	-	-	-	-	-	(3,352,149)	(1,258,609)	-	-
Premium on bonds issued	-	-	-	-	2,667,427	126,830	501,721	-	-	936,371
Issuance of debt - leases	221,936	-	-	323,221	462,030	-	-	-	916,867	8,265
Proceeds from sale of capital assets	40,764	35,550	11,489	8,329	4,733	14,063	34,202	139,722	-	-
Premium on debt	61,948	-	-	-	-	-	-	-	-	-
Payments to escrow account	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	30,669	27,485	55,635	42,587	85,318	339	54,689	204,688	333,830	101,125
Transfers in	3,999,750	3,956,299	4,658,149	4,218,256	4,407,859	3,030,814	3,164,277	3,912,283	3,444,213	3,753,213
Transfers out	(1,493,147)	(1,476,509)	(2,013,733)	(1,520,562)	(1,580,054)	(166,621)	(391,915)	(452,804)	(481,510)	(595,413)
Total other financing sources (uses)	8,361,920	2,542,825	2,711,540	4,176,831	63,587,313	5,755,425	12,990,825	10,135,280	4,213,400	23,633,561
NET CHANGED IN FUND BALANCES	$ 5,828,034	$ (2,409,985)	$ 2,421,683	$ (712,711)	$ 61,845,264	$ 269,857	$ 10,489,223	$ (19,587,626)	$ (31,723,583)	$ 13,802,374
Debt Service as a Percentage of Noncapital Expenditures	19.3%	18.6%	18.7%	17.1%	17.3%	17.7%	17.4%	15.6%	14.7%	16.8%

Revenue Capacity

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City of Bedford, Texas **Table 5**

Tax Revenues by Source – Governmental Funds
Last Ten Fiscal Years

Fiscal Years Ended	Ad Valorem	Hotel/Motel	Franchise	Sales and Other	Total
2014	14,297,275	840,119	3,584,311	9,985,658	28,707,363
2015	14,543,198	1,027,473	3,555,243	11,048,748	30,174,662
2016	15,507,727	1,123,421	3,432,957	11,022,859	31,086,964
2017	16,266,220	1,070,774	3,331,500	11,136,786	31,805,280
2018	19,452,182	954,751	3,432,589	10,936,716	34,776,238
2019	22,048,319	1,022,188	3,209,965	11,739,682	38,020,154
2020	24,416,168	729,835	2,922,138	12,201,337	40,269,478
2021	26,723,504	1,052,538	2,828,804	12,454,929	43,059,775
2022	25,398,205	1,343,965	3,046,939	15,467,501	45,256,610
2023	25,719,453	1,531,409	2,904,191	16,259,330	46,414,383

City of Bedford, Texas **Table 6**

Water Revenue
Last Ten Fiscal Years

Fiscal Year	Number of Customers	Gallons Billed (000's)	Water Revenue	Revenue Per Customer	Revenue Per 1,000 Gallons
2014	23,041	2,337,171	$ 11,855,648	515	5.07
2015	23,116	2,235,456	12,309,854	533	5.51
2016	23,172	2,355,706	12,806,549	553	5.44
2017	23,216	2,282,073	13,165,148	567	5.77
2018	23,225	2,445,290	14,121,583	608	5.78
2019	23,246	2,177,551	13,414,821	577	6.16
2020	23,271	2,325,519	14,507,430	623	6.24
2021	23,246	2,177,551	14,610,636	629	6.71
2022	23,270	2,591,523	16,931,085	728	6.53
2023	23,261	2,446,396	16,947,250	729	6.93

City of Bedford, Texas **Table 7**

Principal Water Customers

Fiscal Year ended September 30, 2023

Customer Name	Gallons Consumed (000's)	Percent Total	Amount Billed	Total Percent
Texas Health Resources-HEB Hospital	61,028	2.35%	$ 538,307	3.18%
Canopy on Central LP	44,985	1.74%	259,277	1.53%
Colonial Village @ Shoal Creek	32,157	1.24%	193,059	1.14%
Heartis Mid Cities Partner	29,198	1.13%	150,650	0.89%
Colonial Village @ Willow Creek	28,786	1.11%	176,334	1.04%
The Logan	28,372	1.09%	170,616	1.01%
The Morgan Apartments	23,925	0.92%	130,855	0.77%
Cornerstone Summerstone	18,226	0.70%	107,633	0.64%
North Glen Partners	16,301	0.63%	99,712	0.59%
Arbors of Central Park Conservice	16,134	0.62%	91,214	0.54%
Top Ten Total	299,112	11.54%	$ 1,917,657	11.33%
City Total	2,446,396	100.00%	$ 16,947,250	100.00%

City of Bedford, Texas

Table 8

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Total Appraised Value	Less: Tax-exempt Property	Net Taxable Value	Total Direct Tax Rate	Estimated Net Taxable Value
2014	$ 3,202,304,589	$ 161,052,296	$ 3,363,356,885	$ 402,262,501	$ 2,961,094,384	0.4948303	$ 2,961,094,384
2015	3,372,021,008	165,181,254	3,537,202,262	449,152,253	3,088,050,009	0.4948303	3,121,183,647
2016	3,359,873,966	168,488,758	3,528,362,724	451,210,531	3,077,152,193	0.4948303	3,192,632,438
2017	3,683,978,396	169,722,606	3,853,701,002	463,425,828	3,390,275,174	0.4765090	3,566,086,055
2018	4,159,701,044	192,718,639	4,352,419,683	546,896,067	3,805,523,616	0.5200000	3,939,845,851
2019	4,617,406,859	215,528,570	4,832,935,429	575,776,312	4,257,159,117	0.5618620	4,315,127,332
2020	5,050,500,158	229,032,759	5,279,532,917	601,536,699	4,677,996,218	0.5690000	4,756,793,584
2021	5,063,731,689	238,824,368	5,302,556,057	615,101,320	4,687,454,737	0.5690000	4,894,309,414
2022	5,254,590,619	236,126,771	5,490,717,390	543,025,291	4,947,692,099	0.5520000	5,124,095,566
2023	5,321,375,237	222,860,659	5,544,235,896	678,612,614	5,544,235,896	0.4957260	5,715,698,269

Source: Tarrant Appraisal District (Reports)

City of Bedford, Texas **Table 9**

Principal Property Taxpayers
Current Year and Nine Years Ago

	2023			2014		
Taxpayer	Taxable Assessed Value		Percentage of Total City Taxable Assessed Value	Taxable Assessed Value		Percentage of Total City Taxable Assessed Value
Canopy on Central LP/Logan Al LP The	$ 164,397,419	1	2.88%	$ -		-
CMF 15 Portfolio LLC	155,600,000	2	2.72%	76,100,000	1	2.57%
Morgan Res LLC	61,900,000	3	1.08%	-		-
TS Asset Bedford LLC	44,600,000	4	0.78%	-		-
SPCP Bradford on Park Owner LLC	43,894,846	5	0.77%	-		-
MRT Point Loma De LLC	40,660,000	6	0.71%	-		-
Arbors 1 LLC	32,900,000	7	0.58%	-		-
AMFP IV Pecan Vreek LLC	31,700,000	8	0.55%	-		-
272 Northglenn Partners	31,100,000	9	0.54%	-		-
Windmill DFW 4 LLC	29,100,000	10	0.51%	-		-
Wal-Mart Stores, Inc.			-	26,425,138	2	0.89%
Oncor Electric	-		-	21,166,300	3	0.71%
Pem 121 Airport S, L.P.	-		-	20,344,608	4	0.69%
Parc Plaza Homes, L.P.	-		-	17,947,689	5	0.61%
WDOP Sub I & II LP	-		-	17,051,147	6	0.58%
Paramount Villages LLC	-		-	16,500,000	7	0.56%
State National Ins Co Inc	-		-	16,471,289	8	0.56%
Point Loma Woods Dallas LLC	-			15,800,000	9	0.53%
Arbors of Central Park ICG LLC	-		-	15,300,000	8	0.52%
Total	$ 635,852,265		11.12%	$ 243,106,171		8.22%
Total Taxable Assessed Value	$ 5,715,698,269			$ 2,961,094,384		

City of Bedford, Texas **Table 10**

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	14,524,393	14,414,247	99.24%	15,727	14,429,974	99.35%
2015	15,079,653	14,817,417	98.26%	33,488	14,850,905	98.48%
2016	15,294,958	15,244,866	99.67%	18,242	15,263,108	99.79%
2017	16,266,337	16,194,415	99.56%	18,080	16,212,495	99.67%
2018	19,162,258	19,052,625	99.43%	46,281	19,098,906	99.67%
2019	22,188,910	22,117,645	99.68%	69,655	22,187,300	99.99%
2020	24,417,311	24,327,917	99.63%	(23,290)	24,304,627	99.54%
2021	25,411,165	25,316,588	99.63%	24,072	25,340,660	99.72%
2022	25,639,358	25,551,687	99.66%	(60,331)	25,491,356	99.42%
2023	25,808,131	25,715,739	99.64%	30,766	25,746,505	99.76%

Source: Tarrant County Tax Office (YTD Summary - Part C)

Debt Capacity

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City of Bedford, Texas

Table 11

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities						Business-Type Activities							
Fiscal Year	General Obligation Bonds	Contractual Obligations	Certificates of Obligation	Tax Notes	Leases	SBITA	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Leases	SBITA	Total Primary Government	Percentage of Personal Income	Per Capita
*2014	$ 34,926,852	$ 2,309,788	$ 1,977,498	-	$ 395,817	$ -	-	$ 3,703,018	$ 13,756,004	$ -	$ -	$ 57,068,977	3.32%	1,171
2015	29,462,886	2,098,809	1,805,970	-	310,142	-	-	3,395,766	13,097,194	-	-	50,170,767	2.83%	1,023
2016	24,083,919	1,882,830	1,634,443	-	221,375	-	-	3,078,513	41,798,385	-	-	72,699,465	4.00%	1,479
2017	18,809,953	1,661,852	1,452,915	885,000	370,255	-	-	2,751,261	40,459,576	-	-	66,390,812	3.64%	1,348
2018	72,728,413	1,440,873	1,266,387	670,000	517,710	-	-	9,267,684	55,900,937	-	-	141,792,004	7.59%	2,877
2019	68,611,076	1,214,894	1,074,860	3,326,830	265,288	-	-	8,763,517	58,278,838	-	-	141,535,303	7.20%	2,863
2020	75,026,130	983,915	878,332	2,601,464	44,489	-	-	9,475,089	55,146,873	-	-	144,156,292	7.14%	2,907
2021	74,291,093	747,936	4,166,804	1,811,098	2,875,947	-	-	11,177,348	50,894,908	14,282	-	145,979,416	6.91%	2,924
2022	70,080,753	506,958	3,750,000	1,225,732	2,654,682	-	-	10,139,606	49,206,960	91,347	-	137,656,038	6.44%	2,757
2023	66,241,323	255,979	23,669,552	620,366	1,513,765	850,157		9,099,117	48,935,310	68,805	236,819	151,491,193	6.99%	3,034

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Personal income and population information can be found in Table 16
*Beginning Fiscal Year 2014, balances are net of bond premium/discounts.

City of Bedford, Texas **Table 12**

Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding: Gross Bonded Debt	Less Debt Service	Less Debt Payable from Enterprise	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2014	$ 54,363,372	$ 977,409	$ 17,459,022	$ 35,926,941	1.15%	737
2015	47,761,816	936,908	16,492,960	30,331,948	0.95%	618
2016	70,595,260	944,475	44,876,898	24,773,887	0.69%	504
2017	63,473,704	973,557	43,210,837	19,289,310	0.49%	392
2018	139,163,423	1,049,549	55,900,937	82,212,937	1.91%	1,668
2019	136,594,919	1,087,072	58,278,838	77,229,009	1.62%	1,567
2020	140,526,424	1,055,347	55,146,873	84,324,204	1.72%	1,701
2021	140,530,152	1,086,090	50,894,908	88,549,154	1.73%	1,814
2022	133,177,319	1,338,327	49,206,960	82,632,032	1.61%	1,655
2023	147,945,302	446,388	48,935,310	98,574,081	1.72%	1,974

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Property value data can be found in Table 8
Population data can be found in Table 16

City of Bedford, Texas **Table 13**

Direct and Overlapping
Governmental Activities Debt
September 30, 2023

Taxing Jurisdiction	Taxable Assessed Value (000's) 2022/2023	Debt Outstanding	Estimated Percentage Applicable *	Estimated Share of Direct and Overlapping Debt
Hurst-Euless-Bedford Independent School District	$ 18,416,245,007	$ 295,350,000	30.33%	$ 89,579,655
Tarrant County	248,369,636,349	376,120,000	2.20%	8,274,640
Tarrant County College District	249,496,147,427	591,230,000	2.20%	13,007,060
Tarrant County Hospital District	248,562,603,261	448,410,000	2.20%	9,865,020
Subtotal overlapping debt		1,711,110,000		120,726,375
City of Bedford	5,582,907,846	93,151,142	100.00%	93,151,142
Total direct and overlapping debt		$ 1,804,261,142		$ 213,877,517

Source: Debt outstanding data provided by each governmental unit or obtained from Municipal Advisory Council of Texas.

*The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

City of Bedford, Texas **Table 14**

Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	Total taxable assessed value (AV)	Debt limit 2.5% of Assessed Value (AV)	Total Net Debt Applicable to the Limit	Legal Debt Margin	Total net debt applicable to the limit as a % of Taxable AV	% of Debt Limit Available
2014	$ 2,961,094,384	$ 74,027,360	$ 56,673,160	$ 17,354,200	1.9%	23.4%
2015	3,121,183,647	78,029,591	49,860,625	28,168,966	1.6%	36.1%
2016	3,077,152,193	76,928,805	72,478,091	4,450,714	2.4%	5.8%
2017	3,390,275,174	84,756,879	66,020,556	18,736,323	1.9%	22.1%
2018	3,805,523,616	95,138,090	72,728,413	22,409,677	1.9%	23.6%
2019	4,257,159,117	106,428,978	68,477,704	37,951,274	1.6%	35.7%
2020	4,677,996,218	116,949,905	75,026,130	41,923,776	1.6%	35.8%
2021	4,687,454,737	117,186,368	74,291,093	42,895,275	1.6%	36.6%
2022	4,947,692,099	123,692,302	70,080,753	53,611,549	1.4%	43.3%
2023	5,544,235,896	138,605,897	66,241,323	72,364,575	1.2%	52.2%

***Note:** The City Charter of the City of Beford, Texas and the statutes of the State of Texas do not prescribe a legal debt limit. However, Article XI, Section 5 of theTexas Constitution, applicable to cities of more than 5,000 population limits the ad valorem tax rate to $2.50 per $100 of assessed valuation.

City of Bedford, Texas **Table 15**

Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Water Revenue Bonds							
	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		Revenue Bond Coverage	Average Annual Debt Service	Average Requirements
				Principal	Interest			
2014	$ 18,607,795	$ 14,575,557	$ 4,032,238	$ -	$ -	-	$ -	-
2015	19,102,535	14,623,282	4,479,253	-	-	-	-	-
2016	20,267,092	14,853,564	5,413,528	-	-	-	-	-
2017	20,995,798	15,753,352	5,242,446	-	-	-	-	-
2018	22,528,121	15,832,882	6,695,239	-	-	-	-	-
2019	22,243,765	16,531,568	5,712,197	-	-	-	-	-
2020	23,381,490	16,274,933	7,106,557	-	-	-	-	-
2021	26,840,386	17,232,040	9,608,346	-	-	-	-	-
2022	26,430,327	17,534,072	8,896,255	-	-	-	-	-
2023	26,839,829	17,222,143	9,617,686	-	-	-	-	-

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Operating expenses do not include interest, depreciation, or amortization expenses.

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Demographic and Economic Information

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City of Bedford, Texas **Table 16**

Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population	(000's) Personal Income	Per Capita Personal Income	Average Household Income	Median Age	School Enrollment	Unemployment Rate
2014	48,721	$ 1,719,705	$ 35,297	$ 78,372	41	22,138	4.7%
2015	49,054	1,773,155	36,147	80,275	41	22,180	4.6%
2016	49,151	1,819,154	37,001	82,240	41	22,762	3.6%
2017	49,234	1,824,415	37,056	82,321	41	23,090	3.2%
2018	49,282	1,869,217	37,929	83,807	42	23,578	3.3%
2019	49,428	1,964,714	39,749	87,623	42	23,707	3.2%
2020	49,582	2,018,880	40,718	89,476	42	23,707	7.7%
2021	49,928	2,111,904	42,299	92,977	42	23,015	5.8%
2022	49,924	2,137,646	42,818	94,103	42	22,971	3.3%
2023	49,927	2,167,481	43,413	95,563	42	23,105	3.4%

Sources: Population: North Central Texas Council of Governments (NCTCOG) 2023 City Population Estimates
Per Capita Personal Income and Average Household Income: ©Alteryx, Inc., eSite Analytics
Median Age and Unemployment Rate: ©Alteryx, Inc., eSite Analytics
School Enrollment: Hurst-Euless-Bedford ISD Quick Facts 2023-2024
Unemployment Rate: Texas Labor Market Information (TWC), Local Area Unemployment Statistics (LAUS)

City of Bedford, Texas **Table 17**

Principal Employers
Current Year and Nine Years Ago

Employer	2023 Employees	2023 Percentage of Total City Employment	2014 Employees	2014 Percentage of Total City Employment
Texas Health Resources HEB	1,480	4.91%	1,800	6.16%
Carter BloodCare	961	3.19%	860	2.94%
HEB ISD (Admin Offices/Bedford Campuses)	796	2.64%	175	0.60%
State National Companies	559	1.85%	350	1.20%
Warrantech/Amynta Group	-	0.00%	415	1.42%
Walmart Supercenter	415	1.38%	892	3.05%
City of Bedford	357	1.18%	369	1.26%
Daystar Television Network	296	0.98%	279	0.96%
Bedford Wellness & Rehab	150	0.50%	-	-
Kroger Foods, Inc.	101	0.34%	87	0.30%
LINQ Transportation & Logistics	90	0.30%	-	0.00%
Albertson's	89	0.30%	70	0.24%
	30,149	17.56%	29,210	18.13%

Sources:

Information comes from City of Bedford, Economic Development Department - Demographics data
Total City Employment information can be found Texas Workfoce Commission Website via
(http://www.tracer2.com/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE)
- this link only gives the grand total

City of Bedford, Texas **Table 18**

Direct and Overlapping Tax Rates
Last Ten Fiscal Years

	City Direct Rates			Overlapping Rates			
Fiscal Year	Operating / General Rate	General Obligation Debt Service	Total Direct Rate	Hurst-Euless-Bedford ISD	Tarrant County	Tarrant County Hospital District	Tarrant County Community College
2014	0.303214	0.191616	0.494830	1.3875	0.2640	0.2279	0.1495
2015	0.289907	0.204923	0.494830	1.3750	0.2640	0.2279	0.1495
2016	0.299332	0.195498	0.494830	1.3500	0.2640	0.2279	0.1495
2017	0.303747	0.172762	0.476509	1.3160	0.2540	0.2279	0.1447
2018	0.340560	0.179440	0.520000	1.2630	0.2440	0.2244	0.1401
2019	0.344135	0.217727	0.561862	1.2730	0.2340	0.2244	0.1361
2020	0.384633	0.184367	0.569000	1.1980	0.2340	0.2244	0.1302
2021	0.386990	0.165010	0.552000	1.1608	0.2290	0.2244	0.1302
2022	0.386990	0.165010	0.552000	1.1098	0.2240	0.2244	0.1302
2023	0.367497	0.128229	0.495726	0.9211	0.1945	0.1945	0.1122

Sources: City of Bedford Budget Office, Tarrant Appraisal District

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Operating Information

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City of Bedford, Texas **Table 19**

Full-time Equivalent City Governmental Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Management and Communication	7.5	7.5	9.5	9.5	9.5	9.5	10.5	11.5	12.0	11.5
Finance	11.5	11.5	11.5	11.5	11.5	11.5	12.5	14.0	8.0	8.0
Municipal Court and Teen Court	10.0	10.0	10.0	10.0	10.0	10.0	8.0	8.0	7.5	8.0
Customer Service	-	-	-	-	-	-	-	-	-	6.0
Development and Planning	6.0	6.0	6.0	6.0	13.0	13.0	19.0	17.0	16.0	17.0
Library	19.6	19.6	19.5	19.5	19.5	19.5	19.5	19.5	18.0	21.8
Support Services	11.0	11.0	22.0	23.0	18.0	18.0	18.0	18.0	17.0	19.0
Police										
Officers	80.0	80.0	81.0	80.0	80.0	81.0	81.0	72.0	77.0	81.0
Civilians	53.0	56.0	57.0	56.0	59.0	59.0	72.0	37.0	48.0	35.0
Animal Control	6.0	6.0	6.0	6.0	6.0	6.0	6.0	5.0	5.0	5.0
Fire										
Firefighters and Officers	63.0	63.0	63.0	63.0	63.0	66.0	66.0	69.0	69.0	70.0
Civilians	8.0	9.0	10.0	10.0	3.0	3.0	6.0	3.0	3.0	2.5
Parks and Recreation										
Management and Communication	2.0	2.0	2.0	2.0	2.0	2.0	-	-	-	3.0
Parks and Recreation	37.5	37.1	39.1	39.4	38.9	39.8	40.8	44.3	32.1	40.6
Senior Citizens Center	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	-	-
Tourism and Special Events	4.5	5.5	6.0	6.0	6.5	6.5	4.5	5.5	5.5	3.5
Public works										
Administration	-	-	-	-	-	-	-	-	-	4.0
Engineering	5.5	8.0	8.0	8.0	8.0	8.0	8.0	6.0	5.0	6.0
Water	12.5	12.5	13.3	14.3	14.3	14.3	14.3	14.0	14.0	13.3
Wastewater	7.5	7.5	7.5	7.5	7.5	7.5	7.0	6.0	7.5	7.5
Stormwater	6.0	6.0	6.0	6.0	6.0	6.0	6.0	5.0	6.0	6.0
Streets	10.0	10.0	10.0	10.0	10.0	10.0	10.0	6.0	10.0	10.0
*Fleet Maintenance	4.0	4.0	-	-	5.0	5.0	5.0	4.0	5.0	5.0
Total	368.8	375.7	390.9	391.2	394.1	399.2	417.6	368.3	365.6	383.7

Source: City Finance - Position Control Report

*2016 - Fleet Maintenance moved from Public Works to Support Services (5.0 FTE)
*2017 - Inspections moved from Fire Department to Development and Planning (7.0 FTE)

City of Bedford, Texas **Table 20**

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program by Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Inspections										
Residential & Commercial Permits Issued	778	535	650	843	625	802	760	851	2,256	2,341
Estimated Value	29,646,601	37,315,837	29,813,302	52,625,480	36,744,807	31,099,840	112,105,644	39,969,628	74,021,728	76,284,013
Police										
Physical Arrests	2,534	1,982	1,992	2,275	2,267	2,632	1,667	1,775	1,958	2,107
Parking Violations	47	90	229	108	115	111	153	133	299	210
Traffic Violations	19,807	16,056	10,898	12,512	13,765	9,121	5,641	6,032	11,338	11,389
Fire										
Emergency Responses	8,155	8,042	8,431	8,070	8,857	9,028	8,672	9,791	7,366	7,085
Patients Transported	3,038	3,198	3,118	3,000	3,396	3,435	3,381	3,640	5,682	3,995
Fires Extinguished	106	199	115	90	142	96	105	117	180	112
Inspections	3,096	3,152	3,366	3,050	3,210	3,190	2,650	2,735	3,006	3,030
Culture and Recreation										
Parks and Recreation:										
Athletic League Spring Team	-	-	-	-	-	12.00	13	13	-	
Athletic League Fall Team	-	-	-	-	-	8.00	-	-	-	
Community Center Registration	4,112	4,795	4,483	3,994	3,220	3,652	4,024	4,024	431	
Annual Recreation Revenue	332,189	508,903	511,242	489,555	420,446	452,693	69,733	-	132,426	51,466
Library										
Population Service	48,721	49,054	49,151	49,234	49,234	49,330	49,330	48,810	49,912	47,978
Number of Library Visits	244,388	221,177	219,543	214,899	178,866	190,788	106,200	107,035	119,996	133,635
Volumes in Collection	118,095	114,573	149,071	143,007	118,978	149,263	112,639	111,101	111,107	112,631
Total Volumes Borrowed	584,917	567,290	545,126	632,599	601,086	623,042	419,262	405,965	407,790	422,876
Turnover Rate	5	4	3	4	5	4	3	3	4	4
Total Operating Expenditures	1,309,275	1,320,502	1,457,919	1,487,263	1,538,473	1,538,473	1,347,721	1,477,687	1,632,319	1,739,045
Cost Per Population Served	27	27	30	30	31	31	27	30	33	35
Total Paid Staff (FTE)	20	19	19	19	19	19	19	19	19	19
Public Works										
Street Repair - Asphalt sq. yard	26,425	27,186	60,935	37,977	90,446	49,616	104,571	49,930	639,537	32,720
Street Repair - Concrete sq. yard	311	6,216	19,623	3,524	-	11,982.00	4,221	4,550	8,638	5,317
Sidewalk Installation/Repairs - sq. feet	5,950	6,500	9,255	1,383	9,135	17,532	7,092	9,596	4,647	2,988
Water and Sewer										
New Connections - Water	23	75	57	44	7	10	1	(33)	10	51
New Connections - Sewer	(4)	51	63	49	8	16	3	(46)	26	103
Water Main Breaks	46	62	31	16	25	12	11	16	27	43
Stated in Thousands of Gallons:										
Average Daily Consumption	6,403	6,125	6,810	6,252	6,147	5,793	5,966	5,943	7,509	6,660
Peak Daily Consumption	9,588	14,133	13,136	11,840	10,951	11,668	121,101	10,697	8,866	12,980

Source: Various City Departments

City of Bedford, Texas **Table 21**

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	17	17	17	22	22	21	21	30	31	27
Other Units: CID-SWAT-PSO	59	63	65	77	76	76	68	48	46	47
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Fire Equipment Units	5	5	5	5	5	5	5	5	5	5
EMS Units	4	4	5	5	5	5	5	5	5	6
Other Units	11	11	11	11	11	11	11	11	11	11
Regional Grant Units - Homeland Security	-	-	2	2	2	2	2	2	2	2
Other Public Works										
Streets (Miles)	456	456	456	460	460	460	460	460	460	460
Streetlights	1,738	1,738	1,751	1,753	1,753	1,753	1,753	1,753	1,753	1,753
Traffic Signals	25	26	26	26	25	26	27	27	27	27
Parks and Recreation										
Park Acreage	150	155	155	155	140	140	145	152	152	152
Playgrounds	17	16	16	16	16	16	16	16	16	16
Swimming Pools	4	4	4	4	4	4	1	1	3	3
Soccer/Baseball/Softball Fields	11	11	11	11	11	11	6	6	9	9
Community Centers	3	3	3	3	1	1	1	-	1	1
Water										
Water Mains (Miles)	149	165	167	192	192	192	192	192	192	192
Fire Hydrants[a]	1,800	1,800	1,802	1,818	1,818	1,818	1,830	1,830	1,831	1,833
Storage Capacity										
(One Ground Well - 250,000 gallons)	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250
(Elevated Storage - 5 million gallons)										
Stormwater										
Storm Sewers (Miles)	92	93	173	198	198	198	198	198	198	198

Source: Various City Departments